The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

April 15, 1939

Guam Project is Dropped

AN EDITORIAL

Albania—A New Sarajevo?

The Unorthodox China War

BY EVANS F. CARLSON

China Takes the Offensive

Japan Fifteen Years Ago

BY RICHARD HALLIBURTON

Will France Lose Djibuti?

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SHANGHAI SPEAKS

To the Editor:

I had the great pleasure today to meet a couple of residents of Shanghai —one who was our principal speaker at the Rotary Club today and the other an invited guest. The speaker was none other than Dr. Julean Arnold, Commercial Attache at the United States Embassy in Shanghai. The other was Mr. Dan Rieb of Standard Vacuum Oil Company from Shanghai.

Dr. Arnold made a very interesting and informative talk on the situation in the Orient and particularly with reference to the invasion of China by Japan. His talk was packed with a vast amount of first-hand knowledge and as such presented a most powerful plea for world consideration of the suffering Chinese.

Everyone present enjoyed the meeting thoroughly and considered it a rare treat to be privileged to listen to such a comprehensive picture of the situation in the Orient.

Following the talk I had a nice little visit both with Dr. Arnold and with Mr. Rieb and of course both gentlemen spoke in glowing terms of the splendid work **The China Weekly Review** has been doing in China. However, they expressed fear that you have taken a lot of chances in remaining in the thick of that disturbed area.

My kindest regards and the hope that this year will be a turn for the better in China.

HARRY D. GUY.

The Rotary Club
Dallas, Texas
March 11, 1939

THE DISILLUSIONED

To the Editor:

I wonder if you or any of your readers are aware of the fact that hundreds, if not thousands, of Japanese civilians who came to Shanghai in search of business opportunities are returning to their homeland in a sad state of disillusionment.

Many of these people, especially small shopkeepers and artisans, brought to the verge of ruin by the governmental control exercized over all branches of economic life in the Land of the Rising Sun, have been coming to Shanghai in the wake of the conquering Japanese army in the expectation that here they would find opportunity to recoup their shattered fortunes. Alas, they have found that the army operates not for their benefit but for the big Japanese trusts. It is harder for a Japanese with little capital to establish himself in Hongkew—unless he wants to run a bar or geisha house—than for the proverbial camel to pass through the eye of a needle.

And so many of the immigrants are returning home, sadder and, it must be hoped, wiser men. They go back in worse circumstances than they arrived, for most of them succeed in dissipating their slender resources while engaged here in the fruitless search for a pot of gold.

ALPHA

Shanghai, April 11, 1939.

N.C.D.N. DIDN'T KNOW!

To the Editor:

I read with deep interest the letter from your office boy who went to the front and hope that you sent him some stamps so he could write you more excellent letters "from time to time."

It is almost beyond understanding that the Editor of The N. C. D. N. was not aware of the departure of hundreds and perhaps thousands of Chinese young men, and many women also, to the fighting fronts. It has been common talk for weeks.

One group of youngsters, all students in a certain mission school, slipped away and went to Pootung and spent two days in a futile attempt to find a group of guerrillas in order to join up with them. They returned to school greatly disappointed, but heroes nevertheless among their fellows.

Others, who have gone to the interior to join Boy Scout Troups, Medical Aid Groups and other units have been more successful and have sent back wonderful letters. You should get some of these letters and print them. They might enlighten the N. C. D. N. and some others as to new developments.

AWAKE.

Shanghai, April 9, 1939.

'NEW ORDER' DEFINED

To the Editor:

Having subscribed to **The Review** for about 17 years, I venture to answer your request for a definition of Japan's "New Order in Asia-ism" which appeared in your issue of March 18. I would define Japan's "New Order" as follows:

"An alien invader mercilessly shoots you and takes your cow. He slaughters the cow, gorges himself on the meat to strengthen himself, and then uses the cow's bones as weapons with which to kill the cows of other neighboring peoples."

Hoping my definition will be acceptable to you.

Y.W.T.

Chin Shan Middle School,
Chaochowfu, Via Swatow,
March 29, 1939

THE CHINA WEEKLY REVIEW

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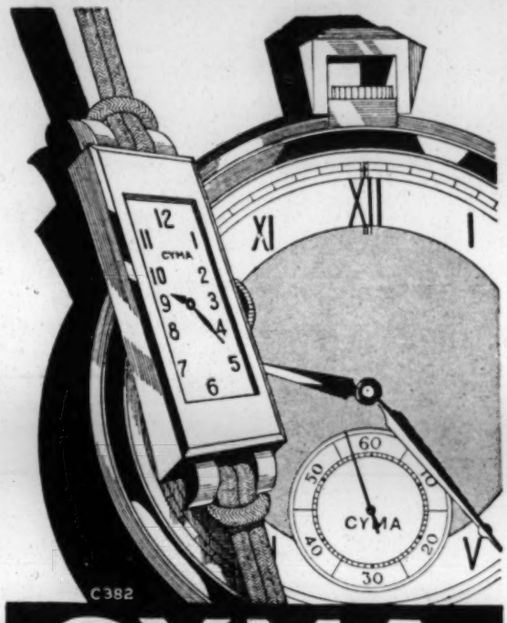

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INDICATE THE NEED FOR

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Congress Drops Guam Project But Approves Increased Fund for New Bases

THE Naval Affairs Committee of the U. S. Senate, on April 10, voted to increase the appropriation for the construction of new naval and air bases from U. S. $47,000,000 (as approved by the House of Representatives) to $65,000,000, part of the increase being for the addition of a new base at Jacksonville, Florida and another at Rhode Island. The addition of two bases on the Atlantic Coast was made necessary by recent developments in the European situation.

The action of the Naval Affairs Committee in voting increased funds for the naval and air-base projects in the Pacific and Atlantic practically assures favorable final action by both houses of Congress on this important measure, generally regarded as a vital phase of the nation's preparation for the coming crisis in world affairs.

The decision of the Naval Affairs Committee not to include Guam in the fortification program definitely eliminates that controversial element for the present at least. While the defeat of the Guam project was largely due to partisan politics (a combination of Republicans and disgruntled Democrats) and probably has been misunderstood in military circles in Japan, it can have little effect on the development of the larger phases of American policy in the Western Pacific.

After all, the only difference between Guam and Wake Island (which is to be developed) is a matter of 1,300 miles, of small consequence in these days of startling progress in the construction of airplanes. While interest has been centered on the recent flights of giant flying boats across the Pacific and Atlantic, there was another development of even greater significance in the field of military aviation when an army flier crossed the United States, a distance of nearly 3,000 miles, at the rate of 342 miles an hour, the actual flying time across the country being slightly over seven hours. Upon landing the army ace broke another record—he struck a tree at tremendous speed, smashed his plane, but escaped unhurt due to the special steel construction of the fuselage, also a new development.

COL. STIMSON'S DECLARATION

Although the hearings being conducted by the Senate Foreign Relations Committee on the subject of neutrality and revision of the Neutrality Act are continuing, it was decided to re-enact the present law as a temporary measure, pending final decision on the matter of revision or amendment. This action was taken because of the expiration of the present law on May 1. Of greatest interest was the declaration of Col. Henry L. Stimson, former Secretary of State, urging that the President of the United States should be given wider powers in regard to the maintenance of the country's neutrality than are provided in the present Act. Since Secretary Stimson was in office and took a firm stand against Japanese aggression at the time of Japan's invasion of Manchuria, there was special interest in his present views on the question of neutrality. He declared that if war breaks out in Europe this spring the Neutrality Act in its present form may actually facilitate an outcome

"Man Who Never Learns"

The Chicago Tribune

such as would result in the United States "being marked out as the next victim of attack." He said that he was a "partisan of collective action by nations wishing to assure peace" but declared that in the past two years the United States, which possessed one-third of the world's raw materials, "had used these resources to a great extent in stimulating the activities and aggressions of our possible enemies." This action, in his opinion, did not seem to be a very intelligent course for the country to pursue. He declared, "I know that sometimes economic armament is dangerous . . . if this is the case, we are certainly placed in a better position to make use of it

than any other country in the world."

Without mentioning any particular nation, Col. Stimson said that certain governments, by their aggressive tactics, have rejected "with disdain and contempt that code of conduct for nations which is based on mutual respect . . . for that reason, the theory of isolation for the United States seems to me to be rather out-of-date." The following report of Col. Stimson's statement was carried by *Havas*:

"I am weighing my words carefully when I express my belief that our present civilization is threatened by a greater danger than it ever had to face during the past four centuries," he added.

He advocated that the President should be given more discretionary powers in regard to neutrality. He refuted arguments that the President could abuse his authority in the conduct of the country's foreign affairs.

"Today, we discover that the Neutrality Act in its present form automatically gives foreign nations, some of whom may perhaps later become our enemies, the possibility of deciding with whom the United States should maintain commerical relations. Today, we find that we are obliged to treat on an equal footing the peaceful and suffering Chinese people and their militaristic enemies, who, by their conquest of China, are attempting to establish a reservoir for possible aggression against the rest of the world.

Events Proved in Spain

"Recently, we discovered that in depriving the Republican Government of Spain of the right of purchasing arms to defend itself against the Rebels, which were supported by Signor Mussolini and Herr Hitler, we were a powerful factor in the overthrowing of a government that the American Government had recognized to be legitimate," Colonel Stimson concluded his declaration.

In an earlier part of his statement, he declared that the present abnormal state of affairs in the world may be prolonged for several years and even for several decades.

Alluding to Germany, Italy and Japan, he stated, "Three of the most powerful nations in the world cast aside the doctrine of mutual respect among nations. To this end, they created a very able technique and used it for years with great success. In the name of unilateral action, they violated promises, treaties and codes, which had been adopted in former times as a system of mutual respect and which barred the road to their aggrandisement. Threats, aggressions and violation of treaties are inseparable elements of their systems.

Succession of Attacks

"The series of attacks—all in violation of treaties and international law —against Manchuria, North China, South China, Ethiopia, Spain, Austria, Czechoslovakia and Lithuania, have made clear the revolutionary nature of the changes which we have to face," Colonel Stimson said.

He explained that the whole problem was further aggravated by the fact that "these three powerful nations occupy strategic positions favorable to their attacks against most of their peaceful neighbors."

These three nations act ably in concert. They find themselves geographically in such a position relative to communication lines, and consequently to the national defences of other countries, that "common defensive action has become imperative."

United States Must Choose

Towards the close, he asked the question, "Shall we content ourselves remaining inactive in our present security, which is perhaps only temporary, or shall we make moderate but firm and intelligent use of our economic advantages to protect the world, of which we are a part, against the danger that constantly threatens it?"

Colonel Stimson declared himself in favor of the second course of action. He stated that it will not only result in "reducing the actions of the Axis, but will also encourage threatened nations to reject all demands for capitulation, the results of which will later place the United States in danger."

Before Col. Stimson gave evidence, Senator Key Pittman, chairman of the Committee, reiterated the necessity for speedily revising the Neutrality Act.

He pointed out that any changes that may be made once a conflict breaks out on the Continent, may be considered hostile to one of the parties engaged in the hostilities. Senator Pittman also read a declaration from Senator William E. Borah, Republican of Idaho, who advised doing everything possible to speed revision of the Act. This declaration recalled that certain clauses of the Act expire on May 1 and it also stated that it would be difficult for the United States to change their attitude on Neutrality should a war break out in Europe before modifications are made.

Strong opposition to Senator Pittman's proposal to broaden the "cash-and-carry" clause in the present law (see Page 150, issue of April 8) was expressed by Senators William Borah and Hiram Johnson, both independent Republicans and isolationists and representatives of powerful West Coast interests. Senator Borah said that the Pittman proposal "would immeasurably strengthen the position of Japan as compared with China." Senator Johnson declared that it "would make the United States an ally of Japan in the Pacific and Britain in the Atlantic." Senator Pittman, on the other hand, claimed the adoption of his proposal would not change the present status in the Sino-Japanese war. Bernard Baruch, New York capitalist, who also appeared before the Committee, urged that the United States "should not court war by invoking economic penalties against aggressors, which was aggressive war leading inevitably to military conflict." He opposed neutrality legislation "which might strangle American commerce abroad" and expressed the belief that the United States could withstand European or Asiatic attacks either by land or sea. He admitted that American sympathies favor China and

Reason for Neutrality?

BUT, GENTLEMEN, YOU CAN SEE FOR YOURSELVES — I CAN'T MARCH!
HUGE WAR DEBT HUNG ON AMERICA BY ENGLAND AND FRANCE
UNPAID WAR DEBTS
PLANS TO USE AMERICA IN THE NEXT WAR
?

The Chicago Tribune

said that the Pittman proposal would benefit Japan rather than China, while enforcement of the present law would also be chiefly beneficial to Japan. He admitted that the position of the United States was "uncomfortable" in that it recognized a state of war in Spain, but not in Asia where China was involved.

ESSENCE OF THE PROBLEM

The discussions concerning the Neutrality Act, although still in the initial stages, have indicated the country's predicament in trying to adopt legislation which would be beneficial to Britain and France in Europe, but which would not, at the same time, help the Japanese in their aggression in China.

A pointed comment on what was designated as the "struggle between the forces of democracy and reaction" in the United States, appeared in the Soviet newspaper *Pravda*. It said that the progressive forces in the United States, headed by President Roosevelt, insisted on the activization of foreign policy in order to stem fascist aggression and that this was resulting in the strengthening of American armament "in order to fight the aggressors." The most powerful element in the United States, supporting the President's program, in the opinion of the Moscow paper, was the "working class movement, which had increased its strength from

4,000,000 in 1936 to 8,500,000 at present. The anti-fascist sentiment in the United States was growing, according to *Pravda*, and was indicated by increasing pro-Chinese sentiment, resolutions of mass meetings, collections of money, newspaper sentiment, letters to the President and to Congressmen. The paper stated that 1,284 scientists had signed an anti-fascist manifesto and that 83 per cent in a recent test-vote had indicated that their sympathies would be with the Soviet Union in the event of war between Russia and Germany.

ACTION BY AMERICANS IN CHINA

The American communities in Chungking and Chengtu, Szechwan, both telegraphed President Roosevelt and Secretary of State Cordell Hull, protesting against the enactment of the Pittman legislation on the ground that such action would favor Japan to the detriment of China. George Fitch, general secretary of the National Committee of the Y. M. C. A., who is now in Chungking, stated that the adoption of the Pittman proposal "would greatly affect the existing friendship between China and the U. S. A." He urged the United States not to take any action "which would give material assistance to the aggressor and at the same time would weaken China's power of resistance."

ORIENTAL TRADE MORE IMPORTANT

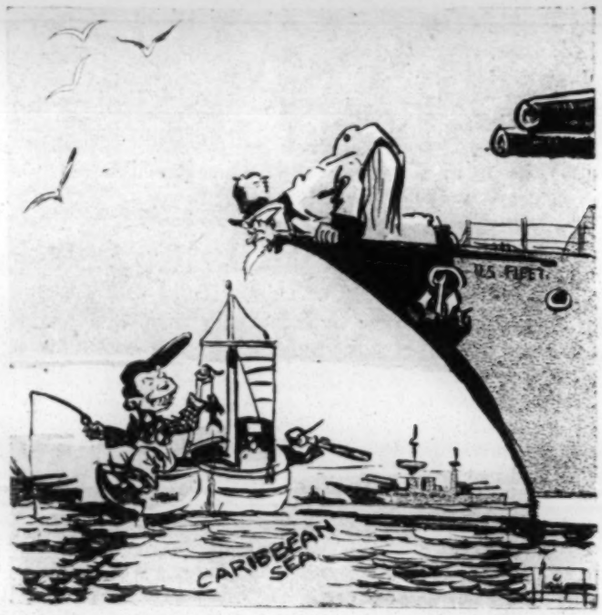
Republican congressman, J. Thorkelson, of Montana, aroused wide interest by declaring in the course of a speech in the House of Representatives (April 2) that the markets of the Orient were more important in the economy of the United States than were the markets of South America. Congressman Thorkelson, new member of Congress, gained national recognition by defeating Jerry J. O'Connell, an outstanding advocate of the New Deal. Thorkelson once was an ocean ship master. He urged the development of the harbor at Guam—which is on the route to the Philippines—and recommended that Congress "should rediscover the value of the Philippines and other Far Eastern islands." He said that the Philippines should become the distributing center for American merchandise and forecasted that the trade of the Islands might in time run to U. S. $500,000,000. "China, India, Australia, Borneo, Siam, Sumatra, Java and Japan can be reached from the Philippines by air as well as steamship," he declared. Continuing, he declared that South America would never be a real market for the United States because the people in South America are not adapted or receptive to trade with the United States due to their racial and cultural relations with Spain, Italy, France, Germany, and England ... The Orientals are receptive and friendly to us and the total population of the Orient is nearly a billion people, each a potential customer." In concluding his remarks, Congressman Thorkelson expressed the opinion that the Japanese were more concerned at the arming of the Philippines and the development of a native army there, than they were at the proposed development of a harbor at Guam. He said that a fortified Philippines would provide the best protection for the U. S. Pacific Coast.

Interest in the question of Philippine fortifications and also the larger issue of Philippine independence, was greatly heightened as a result of Japan's seizure of the Spratley Islands. The *Manila Bulletin*, oldest American paper in the Orient, declared that "by no stretch of the imagination can Japan's occupation of the Spratley Islands be related to Japanese conquest of China ... The seizure of these comparatively insignificant reefs gives Japan a central base in a vast area which she claims to be her sphere of influence. The seizure of the islands is a new affront to France and an increasing threat to the Philippines."

The gathering war clouds in Europe had the effect of further speeding up armament legislation as well as the actual construction of war equipment, including ships and planes. The War Department announced that it was forming a Reserve Army of 75,000 men. It was likewise announced that many of the new planes now under construction would be capable of flying 400 miles an hour.

According to a report by *United Press* from Washington, administration leaders had expressed the opinion that while the United States would avoid participating in any European peace pacts, the U. S. would, however, continue its policy of "economically encircling Germany" by rapidly extending the conclusion of trade agreements with Near Eastern countries. Such an agreement with Turkey would soon be concluded, it was announced. On the other hand, forest conservation interests on the Northwest Pacific Coast, urged Congress to enact legislation, "stopping the exportation to Germany, Italy and Japan of Douglas fir "peeler" logs, from which ply-wood veneer is stripped by a mechanical process. It was stated that the three countries were buying 100,000,000 feet of logs annually from the Puget Sound and Columbia River ports, for the purpose of constructing barracks, building airplanes and sheathing trenches. Axel H. Oxholm, director of Pacific Forest Industries, charged that the forests of the Northwestern States were being denuded of trees ranging from 200 to 700 years old, which could not be replaced.

"Pesky Fishermen"



Providence Evening Bulletin

AMERICA WILL BE DRAWN IN

Despite isolationist sentiment, editorial opinion as well as test votes indicated the growing belief that the United States would not be able to maintain a neutral position and sooner or later would be drawn into the struggle. President Roosevelt declared that "disastrous social and economic consequences would arise out of an extension of the influence of totalitarian commerical methods. He expressed the opinion that the entire world was veering rapidly toward a conflict between the two irreconcilable economic systems. According to *United Press*, the departure from Berlin of Mrs. Hugh Wilson to join her husband, Ambassador to Germany, who is already in the United States, led to the belief they would not return to Berlin because of the status of relations between the two countries.

President Roosevelt expressed the opinion that continued military aggression by Germany, Italy and

Japan would necessitate a complete readjustment of American economic policies, otherwise the country would face a loss of its world markets and shipping business. He regarded an extention of the German-Japanese-Italian barter program as a major threat to American industry.

Considerable interest was aroused by the sailing of Col. Charles A. Lindbergh for the United States, due to his familiarity with aviation conditions in various European countries.

SOME WEAK SPOTS IN WANG CHING-WEI'S MANIFESTO!

WANG Ching-wei's latest manifesto, issued in Hongkong, was circulated in Shanghai by the official Japanese *Domei* news service. This was Wang's fourth manifesto, the preceding ones also being circulated in verbatim form by the official Japanese agency, thus indicating a close link-up between the former chief deputy executive of the Kuomintang and the Japanese. This is the first weak spot in Wang's declaration.

Mr. Wang's criticism of the Chungking expose of his (Wang's) alleged intrigue with Tokyo officials lost much of its force because of the fact that Wang's statement was circulated so fully and enthusiastically by the Japanese news service.

A second weak spot in Wang's manifesto was his attack on his former associates in Chungking as "unintelligent" people.

The third weak spot in Wang's manifesto was his deep concern over the strain which the hostilities are causing Japan. China, of course, is suffering—Wang admits that—but his chief concern seems to be over the predicament in which Japan now finds herself. "East Asiatic civilization will be wiped out, and the two peoples will cease to exist," he stated, and followed that up with the startling declaration that "warfare between Japan and China is detrimental to both."

But a still more startling statement appeared in the next paragraph, to the effect that "There was no reason why the Japanese Government was unable to suppress the demands of its military officers on the spot." We presume he means the Japanese-created incident at Marco Polo Bridge at Peiping, or the Mukden incident, also resulting from "night maneuvers" by Japanese troops conducted in Chinese territory. Mr. Wang now tells us that the reason Tokyo did not suppress its military officers, " was due to a lack of a sense of responsibility."

Later on Mr. Wang stated that he was known abroad for his anti-communist views, an entirely unnecessary declaration in view of the fact that his first attack on his own government was because of Gen. Chiang Kai-shek's refusal to accept Japanese peace terms—which were presented to him by the German Nazis—the chief element in the said terms being adherence to the Tokyo-Rome-Berlin axis, which was accompanied by a private promise from Hitler that if China would be good and join the pact, he (Hitler) would see that his partner, Japan, did not go too far!

Finally, Mr. Wang does not want to see China lose another battle, forsake any more territory, or plunge her people into deeper misery. Approval of that statement would be universal, had it not been that Mr. Wang preceded it with the qualification, "Both countries will be unable to avoid huge sacrifices and calamitous suffering.'

Wang's latest manifesto reminds one of the statements by some of the weak-kneed politicians in George Washington's revolutionary government who advocated peace with the enemy at the crucial time when the enemy was on the point of collapse due to threatening war clouds on another and more menacing front. Wang declared that the door to peace was slammed shut at the time of the Sian incident—yes, when warring elements in China at last realized they must cease fighting each other and unite against the real enemy of the country! He is quite correct that Sian slammed the door to peace—a peaceful occupation of China by Japan somewhat on the Austrian and Czechoslovakian models.

Mr. Wang's denial of secret intrigue with Baron Hiranuma, present Japanese Premier, does not carry weight because the Japanese themselves have admitted a chief cause of the resignation of the preceding Premier, Prince Konoye, was the failure of his secret "peace" intrigue with Wang Ching-wei, which was being conducted through the agency of the German Nazis!

Case of China Realty vs. Augustinian Catholic Mission

As the period of appeal in the case of the China Realty Company against the Augustinian Procuration has expired and further action is in the hands of the Execution Branch of the First Special District Court, it is of interest to review certain elements of this legal action which has been before the local courts for a considerable period.

There is special interest in the case due to efforts which have been made by the directors of the Augustinian Procuration, a Catholic missionary organization, to avoid settlement of an issue concerning property. The Augustinians who are (or were) of Spanish nationality, are among the largest owners of real estate in and about the Shanghai foreign settlements. Value of their property, the nucleus of which was contributed by the peasants of Spain many decades ago, is now said to exceed $10,000,000, even at present depression prices.

The details of the case are familiar to most Shanghai residents: The China Realty Company, an American corporation, loaned the sum of $700,000 to the Augustinian Procuration, accepting as security a mortgage on an area of waterfront property owned by the Mission on the Pootung side of the Whangpoo River, opposite the Garden Bridge. Later the Augustinians organized a company known as the China Motion Picture Finance Corporation and attempted to transfer to it the mortgage held by the China Realty Company. The realty company refused to recognize this deal on the ground that the motion picture enterprise had no assets. The director of the Augustinians, Father P. Cerezal, alleged that the wharfage property had been sold to the motion picture company.

The China Realty Company, due to failure of the Augustinians to pay either interest or principal of the loan, brought suit in the Chinese Court. Here it was shown that the China Realty Company had refused to accept the transfer of the wharfage property, upon which it held a mortgage, to the motion picture concern, and only regarded the set-up of the China Motion Picture Finance Corporation as added security for their loan. Due to continued default on interest and principal, the loan had now grown to more than $900,000, for which the China Realty Company was awarded judgment.

But the attempt of the First Special District Court to execute judgment brought developments of special interest in this international community. Father Cerezal claimed that the Augustinian Procuration, obviously Spanish, was no longer within the jurisdiction of the Chinese court, "because its properties had been transferred to Italian nationality." Also, it was alleged that Father Cerezal and his associate, Father Costello, had transferred their nationality from Spainsh to Italian. They also alleged that their allegience in Spain had not been to the recognized Madrid Government but to the then rebel, Gen. Franco, who, it was claimed, had "recognized" the property transfer to the Italian flag.

For those who are unfamiliar with the significance of these developments, it should be explained that China had refused to recognize the exterritorial rights of Spain—which explained why the Spanish fathers had tried to obtain the protection of Mussolini's Government—as a means of avoiding execution of a judgment for payment of a legitimate loan obligation. The Chinese Court naturally questioned the right of Gen. Franco, a rebel leader in Spain, to transfer Spanish priests and their realty holdings in China to an alien flag, despite the fact Gen. Franco derived his military strength from Italian bayonets. It was rumored here, as well as in Manila, where the Augustinians also own vast tracts of real estate, that this Catholic order was one of the chief financial backers of Gen. Franco in his rebellion against the Madrid Government. As stated in the opening paragraphs, there is special interest in this case from many angles as it involves political, missionary and property interests far removed from the original purpose to which the property was supposed to be devoted. An American who was in Spain during the recent civil war stated that he had seen boxes in Spanish churches with placards asking the people to contribute coins to aid Spanish missions in China. One wonders how many people in Spain, or to state the case more definitely, how many Catholics anywhere are familiar with the activites of a mission organzation here which, by no possible stretch of the imagination, could be regarded as coming within the generally accepted scope of missionary activities.

MORE ON JAPAN AND THE GUAM ISSUE

(P. J. J. in Amerasia, N. Y.)

THE failure of the House recently to approve the $5,000,000 appropriation for improving the harbor of Guam was, among other things, a tactical error in our general strategy on the Far Eastern front. To have the United States Naval Board, with the obvious approval of the White House, recommend a project which it felt was essential for the defense of American interests, and then to have the House vote it down, has been taken by Japan's military leaders as an American retreat.

Whether these leaders really considered it as an act of capitulation by the United States Navy in the face of the Japanese protest is not as important as the fact that the Japanese ptess has been able to use the incident to give a false impression of American reaction to Japan's policy of expansion. It would have been wiser tactics to have forestalled such an eventuality by coordinating in advance the proposed legislation with the probability of its being accepted or rejected.

But perhaps the chief weakness of the vote on the Guam Amendment was the basis upon which the merits of the case were argued. The proposal to take three years, at a cost of $5,000,000, to improve

"Harder to Handle Now"

Hutton in the Philadelphia Inquirer

the Guam harbor was built up to a point where the impression was given that it was an aggressive act on the part of the United States. This despite the fact that military experts both in this country and in Japan believe that Japan is virtually impregnable to successful attack from the sea, and that it is quite inconceivable that even with the most elaborate fortification of Guam it would be extraordinarily difficult for us to use the little island as a base for aggressive action.

Naval officers, supporting the entire bill, pointed out time and again that Guam could become very vital to the American defense system. They explained that any effort on the part of an enemy fleet to move against the Hawaiian Islands or further east would receive its first set-back blows at Guam, and the fleet would be in a weakened condition when and if it succeeded in passing that defense area. But House opponents of this section of the bill buried this phase of the argument by making it appear that all movements toward building up the strongest defenses in the Pacific were really in the nature of aggressive acts.

They further developed the argument that the ultimate fortification of Guam would be a hostile gesture toward Japan, forgetting for the moment that Japan on innumerable occasions has acted provocatively without regard for American interests and American feelings. Only a hostile Japan can construe our proposed improvement of Guam as a defense base as a hostile gesture. In reality the fear of being attacked by the U. S. Navy was not the issue. It was rather that Japan did not wish the U. S. Navy to be in a strategic position to act as a barrier against Japan's plans of conquest.

Aside from building up our defenses to a strength sufficient to make our shores impervious to attack by any combination of nations, it is essential that our trade routes with Asia be kept open. In the face of a rapidly closing door in that area, our commercial and cultural relations are seriously threatened. If we have become aroused by the danger of economic penetration by Germany, Italy and Japan in Latin American countries, are we not similarly justified in being aroused by the possibility of being shut off from trade with perhaps one third of the population of the earth? Are we not justified in fearing, for example, that we may be shut off from such vital materials as tin, rubber and tung oil from the Dutch East Indies, the Malay Peninsula and China?

The House by accepting the recommendation of the United States Naval Board, would have gone on record as saying to Japan in no uncertain terms that we wish no wars but that we insist upon open and free trade lanes for our peaceful commerce. By such an act the House would have represented the sentiments of an overwhelming majority of the American people. Fortunately, the Guam question has not yet reached the Senate for its consideration. That body has the power to undo the harm which has already been done and to reassert the will of the people and of the Administration. (It was also rejected by the Senate-Ed.)

In the face of a world situation today,when there are some nations who, in disregard of international treaties and pacts, carry out lawless, aggressive acts against any or all countries which stand in their way, it is imperative that Congress enact firmer legislation than it has done up to now. It is imperative that Congress should correlate a foreign policy which is rapidly taking shape with vital American interests and popular sentiment. Action can be taken not only with reference to Guam but to the whole problem of neutrality. The principle behind making Guam a more accessible station for our defensive forces can be implemented by the enactment of the Thomas Amendment or by even stronger legislation which would specifically call for an embargo against treaty-breaking Japan.

SECRETARY HULL EXPOSES ARMS DEALS BY JAPAN IN MANCHUKUO

THE abnormal increase in Manchukuo's trade with the United States for several months of 1938 was due entirely to the piling up of war materials by the puppet state, according to a statement by Cordell Hull, Secretary of State, on April 6.

Secretary Hull's announcement was made in reply to a charge by Gerald P. Nye, Isolationist Republican Senator from North Dakota, that the State Department "had spoken unfairly when it accused Manchukuo of discriminating against U. S. trade."

The Japanese also had exploited the figures of increased Manchukuo purchases in the United States as proof that Japanese control of continental territory would lead to increased trade with the United States.

Secretary Hull's statement (*United Press*) revealed that Manchukuo's purchases from the United States in 1938 aggregated about U. S. $17,000,000, consisting mainly of military supplies and raw cotton. Manchukuo's purchases of American manufactured steel amounted to U. S. $1,556,000 and American petroleum products, U. S. $4,000,000. The puppet state's purchases of American machinery, chiefly of a military character, and motor cars and trucks for use of mechanized troops, also amounted to about U. S. $4,000,000.

The statement by Sectreary Hull indicated that Japan was piling up military equipment in Manchukuo for use against China and possibly future military operations of even more extended character. Mr. Hull reiterated the charge that American business was suffering as a result of "Japanese-maneuvered discrimination in Manchukuo," and that Macnhukuo's recent purchases in the United States did not indicate a normal trade increase.

Will Albania Prove to Be Another Sarajevo?

A shot from an assassin's gun in Sarajevo lit the gun-powder train which led to the World War explosion in 1914. European antagonisms had developed to a point at which only the tiniest spark was needed to touch off the accumulated charge of explosives. Last week-end over the Easter holidays, fascist Italy reached out to enlarge her empire by forcefully seizing the territory of the tiny kingdom of Albania, a neighboring state on the other side of the Adriatic Sea. King Zog and his consort, Queen Geraldine, fled to Greece. At this writing, Italy is engaged in setting up a new Albanian government to complete Italian absorption of the territory, to which practically no resistance has been offered.

Italy's seizure of Albania, following an assurance only a few days previously that Italy intended no such action, has taken place in an international atmosphere comparable to that which prevailed in Europe in the early months of 1914. It has followed (to list only those events which have occurred on the old Continent since the beginning of the year) Germany's "absorption" of Bohemia, Moravia and Memel, Hungary's seizure of the Carpathic Ukraine, and the establishment of German economic domination over Rumania.

Showdowns are pending in German-Polish relations (including the questions of Danzig and the Polish Corridor) and in the Italian "claims" on France (Corsica, Tunis, Djibuti and the question of Suez Canal control).

It was in the Balkans that the last World War had its immediate origin. Will Albania, smallest of the Balkan states, prove to be a second Sarajevo? Possession of Albania gives Italy greater command over the Adriatic. It will enable Mussolini to dominate the Balkan peninsula. The Italian challenge to France and Britain in the Mediterranean will be greater, especially now that the Spain of General Franco, newest partner in the Anti-Comintern Pact, is firmly established at the western end of that sea. Italy's seizure of Albania, judging by recent experiences, will prove the prelude to further challenges by the totalitarian states to their democratic rivals, for the former now occupy more commanding positions and can act with more assurance. The question being asked is: At what point will the democracies substitute action for protest, and when will that point be reached?

Britain and France are feverishly engaged in endeavors to construct a front of the eastern and southeastern states of Europe with a view to halting further expansion by the two big powers of the fascist axis. Poland, according to all reports, is still straddling the fence between Germany and the democratic powers following the recent vist to London of the Polish Foreign Minister, Col. Josph Beck. As a counterweight to British and French proposals for a guarantee of Poland's territorial integrity against possible Nazi aggression, Berlin replied with an offer to guarantee Poland's "independence" for a period of 25 years. Anglo-French efforts to bring Poland into a "democratic alliance" have thus far been complicated by Polish reluctance to agree to inclusion of Soviet Russia, whose troops might be required to enter Poland in the event of Nazi aggression. Polish recollections of the Russo-Polish war of 1920 are apparently still quite strong.

On April 6, Prime Minister Chamberlain announced in the House of Commons that an agreement had been reached with Poland which involved a "mutual pledge of assistance" against aggression. The precise value of this agreement was indicated the same day in the House of Lords by Lord Plymouth, Under-Secretary of State for Foreign Affairs. He declared that in terms of the agreement Poland and not Britain would decide what constitutes a threat to Polish independence—and consequently the applicability to any situation of the pledge of assistance against aggression. If Poland did not consider its independence threatened, it would not be possible for any other country to take a contrary view, he said.

St. Louis Post-Dispatch

Adolf: We don't have unemployed like the democracies, Benito!

Moscow, meanwhile, has not been particularly receptive to British proposals that Soviet Russia join in a series of European alliances which would leave her extensive Far Eastern territory exposed to possible Japanese aggression. The Soviet government and its press demands a return to the system of "collective security" based on the principle that "peace is indivisible." Rumania, now virtually the economic vassal of the German

Reich, has been noticeably cool to Anglo-French proposals for a European bloc against further German expansion.

With Italy's seizure of Albania, London and Paris are reportedly endeavoring to extend the guarantee system envisaged for Poland and Rumania to include the Balkan states and Yugoslavia.

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ITALIAN troops commenced the invasion of Albania on Good Friday, April 7. From the capital, Tirana, King Zog broadcasted an appeal that night urging the Albanian people "to fight to the last drop of blood for the independence of their country." This followed a statement made two days earlier by the monarch of Europe's most backward state in which it was stated that "Albania will fight to the last man if Italian troops should enter the country." Yet Albanian resistance crumpled at the first shock and the King and his entourage fled the country. According to the Italian press, the King took with him Albania's entire gold resources amounting to some 400,000 Swiss francs.

In Rome, the invasion of Albania was justified by reference to the Italo-Albanian alliance, which, it was stated, provided expressly for the landing of Italian troops in the event of plots against Italy on Albanian territory. It was claimed that such plots were actually in progress. The Rome newspaper *Tevere* was more frank, declaring that the Italian invasion was intended to secure for Italy a "position of prominence in the Adriatic," *Transocean* reported. The paper went on to point to Albania's strategic position, bordering, as it does, on Yugoslavia and Greece and "lying within striking distance of both Bulgaria and Rumania," in all of which countries Italy maintains "important interests."

On April 8, United States Secretary of State Cordell Hull, after conferring with President Roosevelt, issued a statement denouncing the Italian rape of Albania. Declaring Italy's act to be a violation of the Kellogg-Briand Pact, Mr. Hull said, according to *Havas*, that Washington officials were studying the possibility of placing an embargo on the export of arms to Italy in accordance with the Neutrality Act. "This invasion," he said, "goes against the will of peoples who wish to see their governments lead them along the paths of peace and not war. It is hardly necessary to add that the inevitable effect of this incident, coming after other similar incidents, will be to destroy confidence and undermine the stability of the world. And this will influence our own welfare."

Neither Britain nor France have protested to Italy against the military seizure of Albania. According to a *Transocean* dispatch from Paris, it was not expected that there would be any formal French protest, since, it was stated, France had assumed no obligations with regard to Albania. A joint Anglo-French *demarche* in Rome was, however, anticipated.

Indicative of the general uneasiness prevailing throughout Europe, the gold reserves of the Continent are continuing to pour across the Atlantic to the United States. On April 8, the steamer *Aquitania* took on board at Cherbourg eight tons of gold sent out from Switzerland and a further nine tons from Belgium, all destined for the U. S. Federal Reserve Bank. Total value of the shipment, according to *Transocean*, was 510,000,000 French francs. On the same day, the steamer *Montcalm* was taking on board 9,900,000 Swiss francs in gold coins, shipped by Switzerland, and destined for the Bank Royale du Canada.

⁂

A widely-publicized event toward the end of last week was the formal adherence by the Spanish government of General Franco to the Anti-Comintern Pact, which was announced from Burgos on Apr. 7. In London, according to *Transocean*, there was "annoyance" in political circles that Franco's formal adherence "coincided" with the Italian invasion of Albania. These circles regarded the two events as evidence of "something like an Italian counter-offensive against British policy."

Paris, according to the same German agency, was "completely surprised" by Franco's move, political circles being credited with the view that it showed Franco's intention of working in the closest cooperation with the authoritarian states. Taken in conjunction with the Italian invasion of Albania, it would make it difficult if not impossible to line up Yugoslavia, Rumania, Greece and Turkey in a system of anti-German alliances, they were said to believe.

Berlin greeted the Franco move. The fascist generalissimo in Spain, the semi-official D.N.B. agency declared, "has placed his boot upon the neck of the Red enemy, joining those who accept with calm the challenge of Jews and Freemasons." The *Voelkischer Beobachter* wrote: "At the very moment when a new attempt is being made to form a democratic bloc which is prepared to cooperate with Moscow, Spain has now also formally declared her solidarity with the aims and ideals of the community of young, rising nations. . . . The new order has won. The Fuehrer can celebrate today one of the greatest victories of his untiring labors."

Equally jubilant was the Japanese Government, which spoke through Tatsuo Kawai, director of the information bureau of the Tokyo foreign office, who, however, omitted to say whether Japan regarded Spain's adherence to the Anti-Comintern Pact as having any immediate or intimate significance for Japan and the Far East. Stating that the Japanese Government wished to express "genuine respect for the brilliant exploits achieved by this rejuvenated Spain," he merely added that Spain's adherence to the Anti-Comintern Pact "lends great importance to the mission of that country in the midst of turbulent Europe."

Transocean, in a report from Paris on Apr. 6, said that France will demand of the Burgos government an explanation of the alleged arrival of fresh Italian troops in Spain. Britain, it was stated, would take a similar step. The Spanish ambassador in the French capital was reported by the same agency to have denied that new Italian forces had arrived in Spain. The Italian troops assembled at Cadiz, he reportedly said, were not newly-arrived forces, but troops awaiting transportation home.

Review map by P. C. Chen

Adding yet one more demand to the growing list being presented by the totalitarian states, Germany has followed Italy in demanding a share in the control of the Suez Canal, *Transocean* reported Apr. 6 in a message from Cairo. The demand was put forward unofficially by Baron Richter, chairman of the German Chamber of Commerce in Egypt, in the course of a speech before that body in which he said the Reich has a rightful claim to a seat on the board of directors of the Canal in view of the fact that she occupies third place in the volume of shipping using the waterway. The claim, he added, was justified both morally and economically.

Prince Konoye Appointed Official of Tung Wen Society

Prince Fumitake Konoye, son of the former Premier of Japan, Prince Fumimaro Konoye, has been made an official of the recently organized Shanghai branch of the Toa Dobunkai, or Tung Wen Society. The society was established by Prince Atsumaro Konoye, grandfather of the present Prince. The meeting here was attended by a large number of Army and Navy officers.

Young Prince Konoye, recently appointed Dean of Tung Wen College, military-supported educational institution, was previously a student at Princeton University where he was elected captain of the varsity golf team. But while he was popular among the students, he flunked out in his major studies and had to return to Tokyo. After serving for a time as a reporter for *Domei* service, he took the examination for the diplomatic service, but failed to pass. He then got a job as an office boy in the Cabinet, but lost this when his father resigned. Early in March he was appointed Dean of Tung Wen and has resided in Shanghai since.

State Department Publishes "Lincheng Bandit" Correspondence

ALMOST sixteen years ago —at midnight on May 6, 1923—the American Legation in Peiping received a wire from the American Consul in Tsinan, Shantung stating that the express train which had left Shanghai on the previous Saturday morning had been held up by bandits near the little town of Lincheng in southern Shantung. The dispatch stated that the engine had been derailed at about two o'clock in the morning and that 19 of the 26 foreign passengers thought to be aboard had been captured. One, a British subject named Rothman, had been shot and killed. A small military guard on the train, vastly outnumbered by the bandits, fled but later was reinforced by Shantung troops and took up the pursui:

This dispatch from the American Consul in Tsinan addressed to the American minister in Peiping, at that time Dr. Jacob Gould Schurman, was the beginning of a succession of dispatches exchanged between Dr.Schurman and the Secretary of State dealing with what turned out to be the most famous bandit raid of modern history.

The diplomatic correspondence concerned with the dramatic incident, has just been published by the Department of State and provides interesting reading today, particularly in view of present developments concerned with the relations of China and Japan. At the time the events described in these significant dispatches occurred, China was involved in serious domestic disturbances occasioned by what are now described as the "checker-board" wars of the provincial warlords. But in this particular incident, the most serious happening affecting foreigners since the Boxer uprising, no Japanese were involved and no Japanese interests were concerned. Only occidentals—Americans, Britons, Italians, French and Mexicans—happened to be on the train. In the light of what is taking place in China today—resulting from an alleged attack on a railway involving Japanese interests in Manchuria in 1931—it is interesting to read these dispatches which reveal the reactions of westerners toward an incident involving their interests in a previous decade.

While there were suggestions for holding naval demonstrations and demands for better policing of railways, there was no idea of waging war on China or taking over sections of the country as the Japanese have done in retaliation for an alleged attack on their railway in Manchuria which resulted in little or no damage.

It was front page news all over the world for more than a month. Correspondents representing American, British, French and Italian newspapers were sent to the nearest station on the railway, known as Tsaochwang, located on a branch-line running to a coal mine in southwest Shantung. The American Red Cross, which had a branch in China at the time, sent representatives who succeeded in getting food supplies to the foreign captives who were held in an abandoned Chinese temple far up on the precipitous slope of a Shuntung mountain. Foreign governments represented in Peiping sent military observers and the Chinese Government sent representatives of the war and foreign offices. Tsaochwang suddenly became internationally important. As there was no hotel in the town, the Ministry of Railways sent a number of sleeping cars which served as living quarters during the long and tedious negotiations for the release of the captives.

The foreigners who were taken captive at the beginning numbered 33. One, a Briton named Rothman, who didn't think the bandits were in earnest, threw a teapot at one of them and was shot dead . This reduced the number to 32. Two succeeded in escaping, one by hiding in an upper berth and the other by breaking away from his captors and hiding behind a grave-mound in the darkness. After the first 24 hours, the bandits released all women (except one) and the children, leaving sixteen men who were held captive for thirty-eight days. Those held were Americans, Britons, Frenchmen, Italians and two Mexicans, Mr. and Mrs. Amcerio Verea of Guadalahara, Mexico. They were on a honeymoon trip through the Far East. Americans in the party included two army officers, Major R. W. Pinger and Major R. A. Allen. Both were accompanied by their wives and children. Other Americans in the party included at least one world figure, Miss Lucy T. Aldrich, who was the daughter of Senator Nelson Aldrich of Rhode Island and sister-in-law of J. D. Rockefeller, Jr. Other Americans were Leon Friedman, a motor car dealer, L. C. Soloman, a merchant, Lloyd Lehrbas, member of the staff of the *China Press* and at that time correspondent for the Hearst Service, and J. B. Powell, editor of *The China Weekly Review* and then correspondent of *Chicago Tribune*. Miss Aldrich was accompanied by a travelling companion, Miss Minnie McFadden and a maid, a French woman, named Miss Schonberg. Chinese bandits, amateurish in those days, did not realize the prize they had, and released Miss Aldrich, together with the other women and childern. Strictly speaking, Miss Aldrich was not realeased. She was abandoned in a Shuntung wheat field and spent the night in a pigstye. One woman Mrs. Verea, wife of a Mexican paper manufacturer from Guadalahara, refused to leave her husband and, donning a suit of men's clothes donated by a friendly bandit, remained in the camp for several days until convinced the outlaws did not intend to murder her husband.

ASSISTANCE!

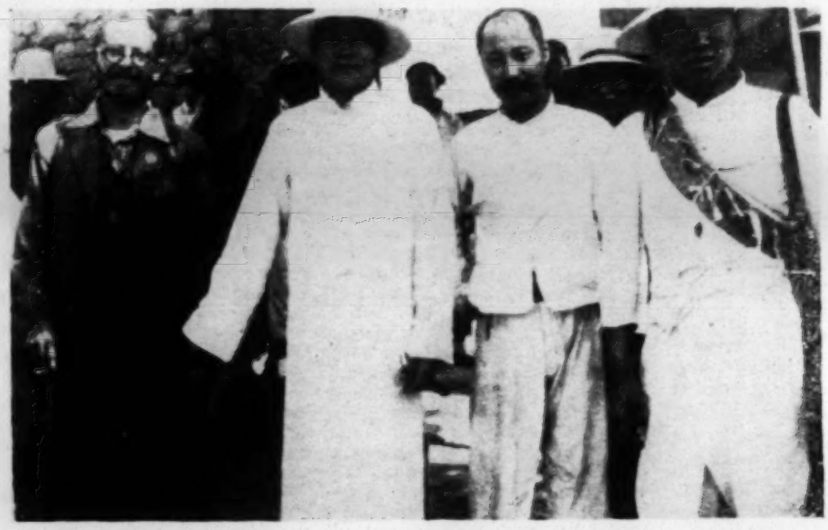
John K. Davis, American Consul at Nanking, who was assigned by the State Department to assist in the release of the captives.

Among residents of Shanghai who were in the party were G. D. Musso a well-known Italian lawyer, and his secretary, a Miss Corelli, the brothers E. S. and F. S. Elias, Emile Gensbourger, Theodore Saphiere, a Frenchman, M. Berube, who was connected with the Salt Gabelle, a Briton, Mr. Rowlett of Tientsin, now deceased. Another resident of Shanghai, Victor Heimovitch, who was on the train, managed to escape by hiding in an upper berth. Lloyd Lehrbas, now with the *Associated Press*, escaped by breaking away from his captors and hiding behind a grave-mound in the darkness.

Aside from the foreigners there were many Chinese passengers on the train, including several residents of

Shanghai. Among them were, C. G. Hung who is now connected with one of the Chinese Government banks at Hongkong. Another Chinese was Chi Ching, Oxford graduate who was also engaged in the banking business at Shanghai and Tientsin. There were several young Chinese students on the train and in addition there was a Chinese general from Yunnan who quickly established friendly relations with the bandit leaders and was released. The students, however, had a more difficult time because the bandits suspected they were sons of wealthy men who could be forced to pay fat ransoms. However, the foreign captives assumed responsibility for the students and other Chinese captives and stood between them and the bandits when disputes arose. When the foreigners were finally released they succeeded in taking the Chinese students out with them much to the annoyance of the bandit leaders. The Chinese passengers were released the next day following the liberation of the foreigners.

No. 1 Bandit Chief, Sun Mei-yao



Youthful leader of the bandit gang, Sun Mei-yao, (long gown) who was the son of a village elder whose property had been looted by a previous bandit group, leaving young Sun with nothing to do except organize his own gang. One of the foreign prisoners is shown standing on the left, while next to Sun, was the second in command of the gang.

When the foreign captives arrived at Paotzuku mountain they were astonished to discover that the bandits were holding between 30 and 40 Chinese children (boys) who had been kidnapped in various parts of east China. The children were held in a dug-out on the top of the mountain. As a result of the efforts of the foreign captives the children were also released and turned over to the American mission at Yishien, Shantung, which was conducted by the Rev. C. H. Yerkes of the Presbyterian Church. The Rev. Yerkes also endeared himself to the captives by sending them the first food, after an enforced fast for many days. The first parcel which Rev. Yerkes finally managed to smuggle through the bandit line contained a Shantung ham and a dozen copies of the New Testament.

The bandit gang was made up of a dozen smaller groups each with a leader. It numbered anywhere from 300 to 3,000 men depending upon circumstances, that is, when they were not working at other trades. Practically all of them were ex-soldiers who had been dropped from the payroll as a result of civil wars or adversity of military commanders.

The political elements involved in the incident have remained a dark secret. At that time north China down to Nanking was controlled by the so-called Chili faction of northern military leaders, who were opposed to Dr. Sun Yat-sen's party at Canton. The fact that the bandits always insisted upon being left in control of a considerable section of the north-south Tientsin-Pukow Railway led to the suspicion that their motive was to split the northern military coalition into two groups. One of the first demands made by the bandit leaders was that they be given control of a section about 30 miles long and 15 miles wide located directly across the railway, at the intersection of Shantung Anhwei and Kiangsu provinces. It was also suspected that the Japanese had a hand in the escapade due to the fact that one of the leading bandit chiefs was a graduate of a military school in Japan. A suspicious element in this connection was that several Japanese passengers who got on the train at Shanghai with through tickets to Peiping, left the train at Nanking allegedly after having received a mysterious message. However, there was no confirmation of this, but there were no Japanese on the train when it was stopped by the bandits.

After the train was stopped the outlaws removed all of the passengers and lined them up on the embankment while the train was thoroughly looted of everything, including the mattresses from the berths and even the carpets. The train was the famous "Blue Express," purchased in the United States and still unpaid for, a point to be remembered in the light of later developments.

After the train had been thoroughly looted the bandits marched their captives up the narrow dry bed of a mountain stream to the summit of a rugged line

Mount Paotzuku, Famous Bandit Lair

Mount Paotzuku, highest and most precipitous of the Paotu Mountains in southern Shantung, had been a bandit lair for centuries. The top was fortified and could only be reached by a "chimney" or crevice where a narrow stairway had been cut. The foreign and Chinese prisoners were held here for more than a month.

of barren mountain which crossed this section of Shantung. As the sun came up the party presented a strange spectacle. Most of the foreign men were attired in pyjamas while the women wore their nightgowns. One male captive, the Italian lawyer, G. D. Musso, who was portly, was dubbed the "Roman senator" as he strode about among the boulders wearing his night shirt. The party was immediately pursued by Shantung troops who fired on the bandits and captives indiscriminately. Bullets struck the rocks all about them but the marksmanship was faulty. After the party—each captive was accompanied by two bandits—reached the top of one of the mountains, which was a fortified bandit hang-out, the firing became more serious and continued most of the day and late afternoon. The military had the intention of surrounding the mountain and besieging the bandits but this plan went awry because the bandits threatened to shoot the captives unless the military stopped. One of the captives, the only newspaperman in the party, wrote a letter at the dictation of the bandit chief in which he urged the military to cease firing because the captives, particularly the women, were in danger of being killed.

At about sundown the firing stopped and the bandits marched their captives down a narrow path on the side of the mountain and managed to elude the military. They marched practically all night through a blinding rain storm until nearly daybreak when they were quartered in some shacks on the edge of a Shantung village. After a brief nap they were routed out and taken on another march. This continued for several days until the captives were finally taken to Dragon Door Temple located on the precipitous slope of a Shantung mountain, long a bandit hide-out, known as Paotzuku.

Following is the first instalment of the official correspondence which passed in and out of the State Department in Washington with reference to the famous bandit episode. It will be continued in subsequent issues of *The Review* until the complete record has been published.

KIDNAPING OF RAILWAY PASSENGERS NEAR LINCHENG BY BANDITS AND CONSEQUENT DEMANDS UPON CHINA BY THE POWERS

The Minister in China (Schurman) to the Secretary of State

TSINANFU, *May* 6, 1923—12 *midnight.*
[Received May 7—2:55 a.m.]

Express train which left Shanghai Saturday morning held up by bandits near Lincheng, Shantung, about 2 o'clock Sunday morning; 19 of 26 foreigners, including Powell of *Weekly Review*, held captive; Rothman, Britsh subject, killed; bandits being pursued by small military forces. Situation serious, little information but foregoing received from American on the scene. I have telegraphed Shanghai to inquire if other Americans were on train.

SCHURMAN

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 8, 1923—5 *p.m.*
[Received May 8—2:25 p.m.]

140. My 138, May 7, midnight. On behalf of the diplomatic corps, dean today made vigorous representations to the Prime Minister, Minister of Communications and Acting Minister for Foreign Affairs demanding that all possible steps should be taken immediately to secure the release of the foreign captives and the Chinese Government should pay the necessary ransom afterwards. Strong military action must be taken of course to put down brigandage in Shantung and an official inquiry must be held into the whole affair on which the diplomatic corps must be represented. Prime Minister agreed to everything, promised to pay ransom and to act as rapidly as possible. He volunteered the statement that it was intended to dismiss Civil and Military Governors of Shantung.

At a meeting of the diplomatic corps this afternoon it was resolved that the dean should further inform Chinese Government that the diplomatic corps reserved the right over and above any moral and material damages claimed to demand a progressive indemnity for every day after May 12th that the foreigners remain captive.

British Minister proposed that after the present matter is settled a demand should be made on the Chinese Government for adequate police protection of the Tientsin-Pukow line to be supplied by the railway itself and paid for out of its earnings and that to this end there should be appointed foreign traffic manager, chief accountant, and police officers.

SCHURMAN [*Bell*]

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 9, 1923—4 *p.m.*
[Received 5:21 p.m.]

143. Following from Minister at Tsinanfu:

"May 8, 4 p.m. I request that following be telegraphed without delay to Secretary of State.

On arriving Tsinanfu Sunday night May 6th, with naval attache and learning of capture of Americans and other foreigners by bandits near Lincheng I telegraphed immediately Marshal Tsao Kun, inspector general of Chihli and Shantung, informing him thereof and earnestly urging him to take effective measures for immediate release of captives. He replied 7th, expressing great anxiety and stating he had "telegraphed the Military and Civil Governors of Shantung instructing them to secure the release of the captives immediately and send troops down there to deal with the bandits." I have replied to Tsao Kun that I counted on him to press matters unremittingly and effectively until captives are released, I have also separately seen military and civil governors and impressed upon them need of prompt and effective action and on my suggestion American vice consul and British consul general called together on military governors 7th, making same demand and told him specifically [apparent omission] him responsible for the safety and immediate release of their nationals.

Whitham of Asia Development Company has been most helpful. He sent two of his best men, Naill and Wiesenberg, to Lincheng on repair train 6th, and they arrived there at 5 o'clock same afternoon and have supplied us with most of our information. Their earlier report that two Americans had been killed was withdrawn by them late last night. They report Major Pinger wounded. To enable them to get some sleep Whitham sent this morning another of his men to Lincheng, McCann who speaks Chinese perfectly.

Through letter from Powell dated Sunday May 6th, bandit commander promised that if troops are withdrawn captives will be released. I do not know whether this is mere ruse or reliable promise and holds good. I have abstained and advised vice consul to abstain from giving any suggestions to Shantung authorities as to the methods they should employ in bringing about the immediate release of the captives which is the one thing we insist upon in all official conversations as our right.

At 11 o'clock this morning 8th, I had in company with vice consul long conversation with Military Governor and inquired what he was doing to bring about the release of captives. He said in present chaotic condition of China he felt his responsibility deeply and was doing his utmost. He showed me long telegrams from his military commander at Lincheng dated midnight in which it was stated only 11 foreigners now remained in hands of bandits. This may be true as Wiesenberg reported at 4:30 p.m. 7th, that there were 14. At that time Military Governor said his plan was to surround the bandits and in reply to my inquiry he assured me he had troops enough there. Force of military are pressing bandits closely and the latter are attempting to use captives as hostages Captives are held in mountains about 10 miles from Lincheng up the [Tientsin-Pukow?] railway. The Military Governor intimates privately and confidentially that after he had the captives [*bandits?* completely in his power he might negotiate with them for the release of the foreigners but in the meantime his policy consisted of the application of force. I repeated that we had no suggestions to make as to the method he should adopt but we demanded the prompt release of our nationals and I counted on the continuation of energetic action on his part until that result was brought about.

On returning from cooperating [*conference?*] with the Military Governor I found at the consulate following telegram from Naill at Lincheng dated 8th, 9:30 a.m., as follows:

"Leaving for bandit outpost with French and Italian consuls general. Wu Chang-chih putting every possible obstacle in our path. Can secure immediate release foreigners if we secure proper cooperation from military. Military does not want to negotiate with bandits."

Wu Chang-chih is Shantung military commander. I devoutly hope Naill, who is not embarrassed by official connections, will succeed with his negotiations.

I have directed Major Philoon, assistant military attache, to proceed to Lincheng to observe and use his best judgment in the matter of the release of the captives. Consul Davis and Vice Consul Berger have begun already.

Vice Consul Milbourn met all trains northward on 7th, took Miss McFadden and Miss Schonberg to hospital on their arrival at 5 o'clock, afterwards waited several hours at station for Miss Aldrich. He also sent two foreign and two Chinese doctors to Lincheng 7th and induced Military Governor to give him special train for the purpose, and he has arranged with the local American association to have food and clothes at station to meet every north-bound train for the relief of any released captives that may be aboard.

Please tell John D. Rockefeller, Jr. I visited Miss Aldrich and her companions, Misses McFadden and Schonberg, in Shantung Christian University Hospital afternoon. Have called and heard from each separately her story of capture, long marches and liberation. All better morning 6th and forenoon 7th [*sic*]. In spite of hardships undergone and exposure in storm with inadequate clothing and only night slippers to walk in they are quite well, and Misses Aldrich and Schonberg expect to get up in a day or two, the other lady will need some days longer. They will all proceed to Peking.

No other released Americans in Tsinanfu. I leave tonight for Nanking."

SCHURMAN [*Bell*]

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 9, 1923—6 *p.m.*
Received 7:35 p.m.]

145. My 140, May 8, 5 p.m. At interview this afternoon between Acting Minister for Foreign Affairs and Counsellor of this Legation, former stated that Ministry of Communications had sent supplies of food and clothing which its representatives were attempting to send to the captives through the agency of the natives of the place. He confirmed that Chinese Government would desist from measures against bandits and substitute pacific means which would insure liberation of captives without injury to themselves. He believed but was not certain that negotiations with bandits have begun.

Presidential mandate which appeared to-day orders investigation with a view to the punishment of Civil and Military Governors of Shantung and suspension, pending investigation, of all civil and military officials at the place of the outrage.

My 138, May 9 [7], noon [*midnight*]. French Minister took up the matter on 8th with Tsao Kun who expressed great anxiety and at once despatched a representative to the scene of the atrocity.

SCHURMAN [*Bell*]

The Minister in China (Schurman) to the Secretary of State

SIAKWAN [*Nanking*], *May* 10, 1923—11 *a.m.*
Received May 10—6:03 a.m.]

Just before leaving Tsinanfu night 8th I invited Colonel Chang military aide of Shantung Military Governor, to come to consulate and showed him two telegrams just received from Naill reporting foreign captives without food and were otherwise suffering and would be killed if Chinese authorities refused to negotiate with bandits. I emphasized the extreme imporatnce of immediate release and gave officer copies of the telegrams for Military Governor. Three hours later Milbourne telegraphed me Military Governor informed that he had instructed his Generals Wu Chang-chih and Ho to consult with Naill regarding release of captives. I hope for favorable and speedy result.

SCHURMAN

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 10, 1923—3 *p.m.*
[Received May 10—8:30 a.m.)

148. My 139, May 8, 11 a.m. Following from Consul Davis, Lincheng:

"Robert Allen, Rowland Pinger released. Their fathers in good condition. Hope others will be released soon. Situation hopeful. Davis."

SCHURMAN [*Bell*]

The Minister in China (Schurman) to the Secretary of State

SHANGHAI, *May* 11, 1923—3 *a.m.*
[Received May 11—8:12 p.m.]

Lunched 10th at Nanking with Military Governor Chi, powerful adherent of Tsao Kun and lower Yangtze prop of Peking Government, and had long conference with him on bandit outrage at Lincheng. Governor said he sent troops at outset to assure Governor of Shantung and now has advisers at Lincheng to aid in effecting pacific arrangement with the bandits for liberation of foreigners on the understanding that the Chinese Government is to pay ransom to the bandits. Government will consider hereafter policy of bandit extermination. Government is also endeavoring to get food and clothing to the foreign captives through the natives of the locality.

I replied that this was a case in which time counted for everything, that a day's delay might cause a foreigner's death of starvation or shooting and one such death might precipitate an international complication.

Chinese are always in terror of foreign intervention and Governor concluded by saying he would telegraph instructions to his representatives on the spot along the lines which I had urged.

With Governor Chi, Shantung Military Governor, Peking Government and Tsao Kun all of one mind liberation of foreigners may be expected any time.

SCHURMAN

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 11, 1923—5 *p.m.*
[Received May 11—11:50 a.m.]

151. As a result of decision taken by diplomatic body this afternoon, I have sent the following telegram to Consul Davis at Lincheng:

"Chinese Government have agreed to a joint inquiry into the Lincheng outrages on the spot by delegates of different government depratments and the foreign consular representatives. You and Philoon should take part in this inquiry which will have for its object to ascertain the circumstances attending the outrage, whether or not there was collusion between the train crew and the brigands and to fix responsibility of the civil and military authorities.

Foreign Office representative on this commission, Thomas King, left this morning for Lincheng. British consul general at Tsinanfu and French and Italian consular officers are receiving similar instructions."

SCHURMAN (*Bell*)

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 14, 1923—3 *p.m.*
[Received May 14—2:21 p.m.]

156. Two following telegrams from Davis and Philoon at Lincheng.

First reads as follows:

"May 13, noon. Bandits' present conditions are raising Paotzeku siege and the taking all bandits into Chinese Army. Bandits claim to number 8,000 between here and the sea. Military Governor verbally has agreed to both conditions. Leaving the details Military Governor. He states that siege raised last night. Anderson and Chinese officials have again gone in endeavor to further negotiations. Prospects of an early settlement are good, although bandits getting short of food, ammunition. Request inform the French Minister, Italian Minister."

Second reads as follows:

"May 14, 11 a.m. Anderson party returned last night report lack of definite agreement on details among chiefs who hold meeting today and promise send in report tomorrow. General terms already reported still acceptable to both sides."

Chinese Foreign Office state they expect negotiations will soon be completed for prisoners' release.

At meeting of the diplomatic body today it was decided that the dean should remind Foreign Office that the requested indemnity had been running since May 12, 12 p.m., see my telegram 140, May 8, 5 p.m. It has not yet been definitely settled whether this progressive indemnity shall be in cash or in the nature of "sanctions," that is, undertakings for proper policing and control of railways in the future.

Diplomatic body also unanimously resolved that the dean should address a note to the Foreign Office stating that the foreign powers expect the Chinese Government to take all proper steps in policing railway lines and guarding trains and that diplomatic body will appoint a commission to travel on trains at the Chinese Government's expense to see that proper steps to these ends are being taken, failing which diplomatic body reserves the right to take any further action necessary. I shall telegraph text of the note when drafted.

A suggestion by the French Minister that foreign countries should place armed guards of foreign vessels on trains was negatived on the ground that, should they be attacked and killed, it might involve us in war with China, to which we could not commit our Governments at this stage.

SCHURMAN [*Bell*]

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 15, 1923—11 *a.m.*
[Received May 15—9 a.m.]

157. My 156, May 14, 3 p.m. Following text of note handed afternoon 14th by dean to Acting Minister of Foreign Affairs:

"With reference to my note the recent outrage on the Tientsin-Pukow Railway at Lincheng, I have the honor to inform Your Excellency that the diplomatic body has decided to insist that the Chinese Government should take immediate steps to reenforce the troops and police guarding the principal Government railways, especially the Tientsin-Pukow and the Peking-Hankow lines and the passenger trains running thereon, and to request Your Excellency to inform me at the ealriest possible moment of the nature of the steps taken by the Government to this end.

Further, the diplomatic body with a view to the protection of their interests and to safeguard the lives and property of their nationals, have appointed a commission of foreign officers who will be entrusted with the duty of investigating the measures taken by the Chinese Government to protect the said Government railways from a recurrence of outrages similar to that which has occurred at Lincheng, and for that purpose require that the Chinese Government should undertake to arrange for the free transport of these officers on the railways and for all the necessary facilities for their comfort, etc., these details to be arranged by the Ministry of Communications in conjunction with the administration of the several railways.

I am desired by my colleagues to add that the diplomatic body reserve to themselves the right, on receiving the report of the commission of foreign officers aforesaid to demand in the name of their respective Governments any further increase in the number of troops and railway police or modifications in the measures taken to protect and patrol the railways as may be recommended by the said commission and appear to them to be desirable."

Following also handed at same time by dean to Acting Minister for Foreign Affairs:

"The Mexican Minister has informed the diplomatic body that an official of the Foreign Office called on Mr. Kolessoff, the inter-

preter of the Mexican Legation, on the 12th instant and showed him the text of a message received from the Chinese consul general at San Francisco, United States of America, stating that the relatives of Mr. and Mrs. Manuel Ancira Verea are ready to pay any ransom demanded in order to obtain their release by the bandits near Lincheng. The same official observed that it would be difficult to deliver the ransom to the bandits as the Mexican Legation had no representative at Lincheng, and this would appear to indicate that the Foreign Office accepts the principle that the ransom may be paid by the relatives of the captives and is contrary to the attitude which the diplomatic body has adopted on this point. The Foreign Office should be aware that the Chinese Government is responsible for the payment of whatever ransom may be necessary and that they should accept no funds from private sources for this purpose."

SCHURMAN [*Bell*]

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 16, 1923—3 *p.m.*
[Received May 16—12:18 p.m.]

161. My 159, May 16, 9 a.m. Further consular reports from Lincheng indicate that foreign captives have been taken to Paotzeku and there is nothing to indicate progress in negotiations between Chinese authorities and brigands.

On early morning 13th a band of men, possibly soldiers, attempted to rob a bank in Tangshan. General fright ensued and, as it was feared an attempt might be made to loot railway property, the company of American troops stationed there prepared for action, but fortunately no necessity arose.

On night of 13th bandits held up small village near Pehtaiho and looted shops and salt revenue office.

At meeting of diplomatic body this morning it was decided, in view of unsatisfactory nature of views [*news?*] from Lincheng, that dean should inquire of Chinese Government reason for failure of negotiations and exact information as to what Government had done and was doing, and should also again remind the Chinese Government that the "sanctions" would progressively increase as each day elapsed.

Diplomatic body feels strongly that impotence of Central Government has never been more clearly demonstrated than in this affair and feels also that, as the authority of the Central Government declines, diplomatic body's power is also being progressively lessened and its ability to secure protection for foreign nationals correspondingly diminished. It was decided that representatives of [powers] possessing fleets or squadrons in Asiatic waters should consult their governments and their admirals on the station with a view, should necessity arise, to making a joint naval demonstration at Taku near Tientsin. The idea is that ships should go to Taku for moral effect on Chinese Government and people and to demonstrate that our nationals must be protected and that our just demands cannot be ignored. The foreign representatives would not threaten the Chinese Government or commit themselves in advance towards any particular course of action. They would not even notify Chinese Foreign Office the ships were coming and there would be no salutes to Chinese flag or visits of courtesy to Chinese officials by foreign vessels. The demonstration would simply be to remind the people of China that there is a point beyond which we cannot be flouted. British, French, Italian, and Japanese representatives are communicating with their Governments and senior naval officers in this sense, but it is clearly understood that, on receipt of necessary authorization from home Governments, demonstration will not be made until the moment when, in opinion of the representatives here, it will create the greatest effect. I understand our fleet is somewhere between Tsingtau and Chefoo, but, in the absence of naval attache in Shanghai with Minister, this telegram is being repeated to latter for comment and for consultation with Admiral Anderson, who is understood to be in Shanghai or on the Yangtze.

Please instruct.

SCHURMAN [*Bell*]

The Counselor of Legation at Peking (Bell) to the Secretary of State

PEKING, *May* 17, 1923—5 *p.m.*
[Received May 17—8:53 a.m.]

166. My 161, May 16, 3 p.m. Following translation of memorandum handed by dean to Acting Minister for Foreign Affairs afternoon 16th:

"In view of the assurances received from the representatives of the Chinese Government before the meeting of May 14th, the diplomatic corps believed that it could count upon the immediate release of the prisoners held captive by the brigands of Shantung. The diplomatic corps has been astonished to ascertain that these prisoners have not been freed and that the negotiations entered upon with a view to their release appear to be interrupted for reasons which have not yet been explained. The diplomatic corps again emphasizes the responsibility which devolves upon the Chinese Government in this regard and waits with impatience for it to take without further delay efficacious measures for the liberation of the prisoners. It reserves the right to fix at a later date the nature and scope of the sanctions which the delay in the settlement of this deplorable affair entail and which will be destined to prevent its recurrence.

The dean of the diplomatic corps is directed to recall the undertaking of the Chinese Government regarding the investigation entrusted to the international commission now convened at Tsaochuang and requests to be informed of the instructions sent to the representatives of the Chinese Government. Diplomatic corps is greatly surprised to learn that, on May 14th, the representative of the Foreign Office alleged that he had not received these instructions."

SCHURMAN [*Bell*]

The Minister in China (Schurman) to the Secretary of State

PEKING, *May* 18, 1923—10 *a.m.*
[Received 11:10 a.m.]

168. Returned to Peking at 8:15 a.m., 18th, travelling by special train which I secured for myself at Pukow.

I cut short my trip, first, because I was disquieted by the delay in the release of the captives, and, secondly, because I desired to confer with my colleagues regarding naval demonstration as reported to me by the Legation, see Legation's 159, May 16, 8 a.m. [161, *May* 16, 3 *p.m.*]

As regards subject of release of bandits [*sic*], I had four hours' conference with Davis and Philoon who under instructions boarded my train at Lincheng evening 17th. They reported that recent [omission] has been due to "great difficulties experienced in arriving at a plan acceptable to all bandit chiefs" among whom "older chiefs who are more of the professional bandit type are inclined towards delay and more unreasonable terms." A delegate from the bandits arrived at the Chinghsing mines Tsaochuang near Lincheng morning 16th and reported that the bandits had selected their representatives and would be prepared to enter into [negotiations?] 17th.

Davis and Philoon are of opinion that if bandits' terms are found acceptable release may occur within two or three days, otherwise new negotiations will be necessary and release may not occur for two or three weeks. They are apprehensive that the situation may be complicated by the number of Chinese officials on the spot, these being Military Governor Tien and his followers representing Shantung; the Kiangsu Commissioner of Foreign Affairs and General Chen representing Governor Chi of Nanking; and, thirdly, the Minister of Communications and his party with whom is now associated General Yang I-teh, the uncrowned ruler of Tientsin where the Minister of Communications has his home. Davis and Philoon report that all real negotiations of any material value towards effecting the early release of the prisoners have up to date been conducted by the Kiangsu group with which Roy Anderson has been associated. The bandits asked that Anderson and Commissioner of Foreign Affairs Wen from Nanking should proceed to their headquarters morning 17th but this plan was made impossible by the act of General Yang and the Minister of Communications who sent an advance party of theirs to the robbers at 6 o'clock morning 17th. Yang and Minister stated that if this party reports favorably they themselves would proceed to the bandits' camp and insist upon the release of all foreign and Chinese captives within three days and that in the event of the bandits not accepting the guarantees offered they themselves would offer to remain in the bandits' hands as hostages pending the final putting into effect of the terms.

Delegates of all these officials met me at Lincheng yesterday and presented reports. I urged in reply that they should cooperate harmoniously in effecting the release of the captives and expressed the opinion that international complications would arise if such release were not speedily effected.

I am persuaded that all the Chinese authorities are doing their utmost to effect early release of the captivas and the competition now obtaining among them for the credit of the achievement indicates that negotiations have reached a stage when success is probable.

A regular service of supply to the captives has been instituted by Davis and Philoon, and Major Horsfall has been placed in charge of it. By means of it cogs [*cots?*], mattresses, cooking utensils, mess outfits and other supplies are being sent forward.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *May* 18, 1923—7 *p.m.*
[Received 7:15 p.m.]

170. My 161, May 16, 3 p.m. and 168, May 18, 10 a.m. As regards a naval demonstration I think it unnecessary at the present time and also likely to delay the release of the captives. It is unnecessary because all Chinese Government officials are doing their utmost to effect the release of the captives which is also in their own self [interest?]. A naval demonstration would operate to delay the release of the captives because it would exaggerate in the minds of the bandits (who read the newspapers) the importance of the capture they have made and induce them to demand higher terms for their release with the result of prolonging negotiations.

To bring about a speedy release it is necessary to bring pressure or influence to bear not upon the Chinese Government but upon the bandit chiefs. This pressure or influence cannot be exerted by foreigners, only the Chinese Government can exert it. If foreign governments discredit the Chinese Government they weaken it in dealing with the bandits. Without any indication of my own sentiments I very confidentially inquired of Philoon and Davis

(*To be continued next week*)

Alleged Wang-Hiranuma Agreement Causes Sensation

THE alleged secret agreement reached between Wang Ching-wei and the Japanese premier, Baron Hiranuma, as published in the *Ta Kung Pao* at Chungking, has caused a sensation. As yet, it is impossible to ascertain whether the document is genuine, for if it should prove true, Wang must stand condemned before his countrymen and posterity as a traitor of unparalleled magnitude. No amount of explanation, now or in the future, could serve to mitigate the gravity of his offense, however lofty his motive might be. If, on the other hand, the agreement be non-existent, still Wang will find it difficult to account for his intimate association with the Japanese, while his country is locked in a life-or-death struggle.

Whatever the document may be worth, it is significant that it contains so many details as to make it seem highly improbable that any one could have fabricated it. However, in spite of his unsavory record in political life, his ever-readiness to shift fronts and his fickleness in faith and principles, fairness demands that Wang should be given the benefit of the doubt, pending further knowledge of his true intentions.

Paper Gives Details

According to the *Ta Kung Pao*, the secret Wang-Hiranuma accord contains the following points:

1. In order to facilitate early realization of the peace policy of Wang Ching-wei and the former Japanese premier, Prince Konoye, Japan, before the Chinese Government completes the reorganization of its army, should launch several offensives designed to achieve the following objectives:

(a) In North China, Japan must occupy Sian, capital of Shensi, effect encirclement of Szechwan, and cut communications between China and Russia.

(b) In South China, the Japanese should occupy Nanning, capital of Kwangsi, in order to exert pressure on anti-Japanese sentiment in that province, and should also cut communications between Kwangsi and French Indo-China.

(c) In Central China, the Japanese should occupy Changsha, cut the Kiangsi-Hunan Railway, occupy Siangyang and Fangchen, and apply a strangle-hold on Hunan and Szechwan provinces.

2. When Japan completes the foregoing program, Wang Ching-wei will personally lead "an anti-Chiang Kai-shek and an anti-Communist war." He has guaranteed his ability to control at least 20 divisions of full military strength.

3. Wang Ching-wei will be responsible for the organization of an anti-Communist and National Salvation Alliance, with himself as Chief Executive and with enough executive power to exterminate all anti-Japanese and Communist elements.

4. An agreement should be discussed for the restoration of peaceful and friendly relations between China and Japan. The agreement should be based on anti-Communist principles and on declarations by Prince Konoye and Wang Ching-wei. The views of all anti-Communist bodies should be heard.

5. For realization of the second and third points, Japan should pay Wang Ching-wei $3,000,000 a month for expenses.

Kao Tsung-wu, formerly high official in the Foreign Office, now Wang's chief agent to contact the Japanese, is alleged to have arrived at Tokyo with these proposals and to have had several interviews with Baron Hiranuma, with whom he has reportedly made the following concrete agreement:

1. When the Japanese forces have occupied Nanning, Changsha, Siangyang, Fangchen and Sian, Wang Ching-wei will issue another statement. Instead of further appealing to Gen. Chiang Kai-shek to begin peace negotiations, Wang will emerge to handle the situation. But Japan must complete her part of the program in May or June.

2. In order to overthrow the National Government, Japan is urged to send troops from Siangyang and Fangchen into the Hanchung area, while another column will march from Nanchang to Szechwan via Changteh and Kweiyang. The main attack is to be made in this sector.

Four Millions Said Paid

The *Ta Kung Pao* further alleged that the Japanese had already paid over $4,000,000 to Wang, and also suggested that if the Japanese should land troops for the occupation of Foochow and Chaochow, he would undertake to establish a South-West Government.

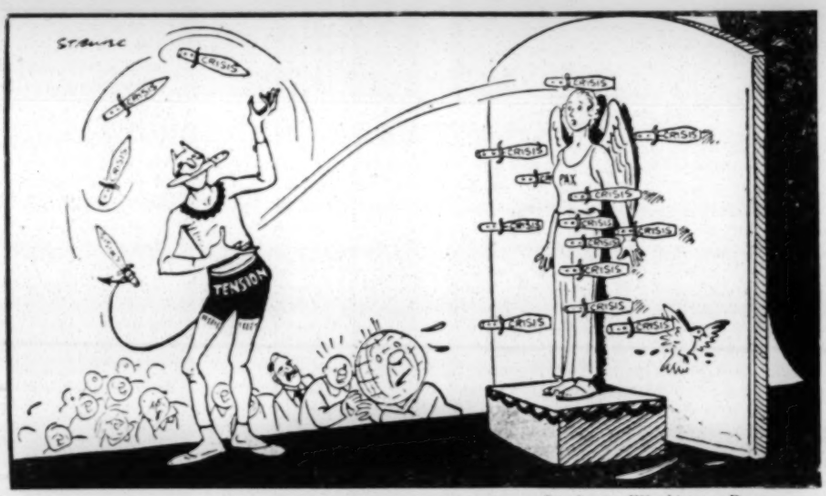
Wang's basic demands to Japan, according to the journal, include:

1. Abolition of the "Reformed Government" at Nanking and of the "Provisional Government" at Peiping.
2. Establishment of a new National Government in Nanking.
3. Establishment of an anti-Communist National Salvation Alliance.
4. The grant of $3,000,000 a month as expenses.
5. The maintenance of 12 divisions as an anti-Communist National Salvation Army.
6. A military budget loan of $200,000,000.
7. Conclusion of a new agreement between Wang Ching-wei and Japan, based on Prince Konoye's statement.
8. China, in her international relations, should keep on friendly terms with Germany, Italy, Britain and America.
9. China should join the anti-Comintern Pact.

Commenting on the alleged agreement, the *Ta Kung Pao* expressed the opinion that the Chinese Government had so far been too lenient towards Wang and his associates and advocated servere punishment for "such traitors."

Government circles at Chungking were indignant at the continued activities on the part of Wang and his cohorts in negotiations with the Japanese and his disclosure of confidential documents and state secrets in his April 1 statement. The opinion was expressed that Wang had no right or justification to reveal such secrets, unless he "willingly and completely becomes a traitor to the State." Prior to publication of that statement, it was said, the government hoped that Wang would eventually be persuaded to abandon his peace policy and return to the fold, but now definitely gave up such hopes and decided to take drastic measures to punish him and his followers.

Chinese papers in Shnaghai unanimously denounced the alleged Wang-Hiranuma pact as an act of high treason on the part of Wang. The *Shun Pao* attributed Wang's recent treacherous actions to the following reasons: his ambition for power and leadership, miscalculation of popular psychology, and the Japanese policy of "divide and rule" and of "using the Chinese to fight the Chinese."



Strube in Washington Post

Keeping the Audience on the Edge of their Seats

The *Yi Pao* demanded the arrest of Wang and his associates, extermination of those elements supporting Wang, strict vigilance against further treacherous activities of Wang's followers in Shanghai and his efforts to organize a puppet central government.

Ex-Reds Demand Arrest

The *Hsin Hua Jih Pao*, Communist organ at Chungking, urged not only the arrest of Wang Ching-wei but also the purgation of "pro-Wang elements within the ranks of the government." "Only in a thorough-going purge of such elements," the paper said, "can we hope to achieve final victory." The paper mentioned particularly the following persons as the "present associates of Wang Ching-wei."

Chou Fu-hai, former Minister of Publicity;

Chu Ming-yi, former Secretary-General of the Executive Yuan;

Ling Peh-sen, former member of the Legislative Yuan;

Chen Kung-po, former Minister of Industries;

Tao Hsi-sheng, well-known writer;

Li Sheng-wu, former Director of the General Affairs Department of the Foreign Office;

Kao Tsung-wu, former Director of the Asiatic Affairs Department of the Foreign Office.

As expected, Wang vigorously denied the allegations made by the *Ta Kung Pao*. Neither bodily harm nor "groundless rumors and accusations," he said, would cause him to abandon his principles or alter his views. He charged the *Ta Kung Pao*

with "having become a government organ since long ago, being incapable of fulfilling the function of an honest newspaper." Wang reaffirmed his advocacy of peace. He said that the hostilities, if continued, would lead both China and Japan to ruination. Concluding, Wang stated: "I do not want to see China lose another battle, foresake more of her territory and plunge her people into deeper misery. I also do not wish to see Japan gain another victory, so that she may change her attitude towards China and present new conditions for peace." An incurable pessimist, Wang appears to be obsessed with the conviction that China is fighting an absolutely hopeless war against Japan and the sooner China surrenders, the better.

Poetry as Pastime

Wang's present whereabouts is a matter of much conjecture. According to one report, he is said to be still in hiding at Hanoi, amusing himself in writing poems, in one of which he expressed the ambition to become the "Franco of the Far East." Other reports state that he has left Hanoi and is on his way either to Canton or Shanghai. It is even rumored that he has already arrived in Shanghai, hiding somewhere in Hongkew. Wherever Wang may be at present, it seems certain that he has definitely extended his activities to Shanghai. According to well-informed Chinese sources, three of Wang's chief followers, namely, Lin Peh-sen, Mei Shih-ping and Chou Fu-hai, have set up an office in Shanghai to conduct propaganda for their pro-Japanese cause. They are said to have made frequent trips between Hongkong and Shanghai and established close contact with the Japanese here. Chou is alleged to have taken up his residence in Hongkew and to be making preparations to start a newspaper here.

Much significance was attached to the 2-day conference at Shanghai last week between Sir Robert Craigie, British Ambassador to Japan, and Sir Archibald Clark Kerr, envoy to China. Although it was emphasized by Sir Robert that their talks were of non-political character and only problems of "mutual interest" were discussed, it was suggested in certain circles that the two envoys conferred on the possibility of renewed British attempt at mediation in the Sino-Japanese hostilities. The sudden departure of Sir Archibald for Chungking to see Gen. Chiang Kai-shek immediately following his conference with Sir Robert, has given rise to considerable speculation, indicating that there is something weighty the British Government may propose to Chungking.

Hiranuma Cabinet Doomed?

The Hiranuma cabinet appears to be tottering. According to the Tokyo *Nichi-Nichi Shimbun*, before he organized his cabinet, Baron Hiranuma was regarded as one of the leading figures among the reformists and the nation pinned great hopes in him to carry out reforms. Contrary to popular expectations, the paper said, Baron Hiranuma has abandoned the various "renovations" already planned under the previous cabinet, and moreover, has failed to show any new reform plans of his own. Dissatisfaction with Hiranuma is manifesting itself in various quarters and it is likely that his cabinet may shortly collapse. The selection of a successor to Hiranuma is now freely discussed in Tokyo. Prominent among the numerous candidates mentioned are the incumbent Home Minister Kido, Education Minister Gen. Araki, Navy Minister Admiral Yonai, former premier Gen. Hayashi, and Gen. Jiro Minami, governor-general of Korea.

Hankow has a new puppet mayor in the person of Chang Chih-wan, said to be grandson of the late viceroy Chang Chih-tung of the Ching dynasty. Chang, who previously served under the Japanese as director of the Finance Bureau of the defunct East Hopei regime, was formally installed in office on March 10. The present Wuhan Peace Maintenance Committee is scheduled to be abolished on March 20 and replaced by the special municipality of Wuhan.

Puppet Official Killed

Patriotic terrorists took the life of a high puppet official, S. G. Cheng, superintendent of the Customs at Tientsin, who was shot and killed in a cinema. A stray bullet fired by the assailant struck and killed the Swiss engineer, Charles Glauser, of Energie Electrique de Tientsin. A Tartar athlete named Talat Mansouroff, who grappled with the assailant in an attempt to capture him, was seriously wounded when he received a bullet in the abdomen. The assailant made good his escape.

Soo Hsi-wen, former "Ta Tao Mayor," now serving as secretary-general of the Shanghai municipal regime, narrowly missed death when a pistol bullet fired at him through the glass window of his office in Kiangwan last Sunday went astray. The Japanese press described the incident as an accidental shooting, but admitted that three policemen believed involved in the affair had been detained.

After weeks of inactivity, patriotic groups in Shanghai renewed their anti-traitor campaign. Dr. Shih Shih-tai, Japanese educated medical practitioner and secretary-general of the "Public Safety Bureau" of the Japanese-controlled Shanghai city government, was assassinated on Lloyd Road on Tuesday. Shih was recently mentioned for the post of commissioner of the Public Health Bureau.

Adding another Japanese name to Shanghai's roads in Japanese-occupied Kiangwan is the newly-opened 8-meter wide Shunroku Hata highway running from Kiangwan to Woosung. The road took almost one year to complete, with some 1,000 Chinese coolies pressed into labor under Japanese military supervision.

In an attempt to raise revenue, the Shanghai city government has decided to collect business taxes in the Western Shanghai district and other areas under Japanese occupation. The rate of the projected levy is to be one or two per cent.

A truck carrying one Japanese and two Chinese was ambushed by three Chinese gunmen near Tazang, Shanghai suburb, as a result of which the Japanese, named Seizo Iwan, 41-year old contractor, was fired upon and killed.

China Repays Loans

Despite the enormously heavy demands made upon it by the hostilities, the Chinese government, for the first 21 months of the war, from July, 1937, to March, 1939, paid out $198,764,508 for the service of foreign obligations, and $331,650,392 for the service of domestic loans, according to official figures revealed at Chungking. The two sums total $530,514,900, the equivalent of £32,000,000 or U.S. $150,000,000, at the official rate of exchange.

To counteract Japanese attempts to undermine China's currency, the National Government is planning to issue "emergency money" for circulation in various parts of the country, according to an announcement by Dr. H. H. Kung. The new money is to be issued in the form of banknotes of small denominations and will be inconvertible.

In order to meet the requirements of the public during the war of resistance, the Ministry of Finance has granted permission to the Kwangsi provincial bank to circulate its notes in other provinces.

Under instructions of the Ministry of Finance, the Farmers' Bank invested in 1938 some $70,000,000 in various parts of the country to develop agriculture. The money was loaned to the farmers mainly through the farmers' cooperatives.

In a speech to the United States broadcast over the central shortwave radio station at Chungking on March 13, George A. Fitch, American secretary of the National Y.M.C.A. Committee, said: "In the midst of all this change and progress, the pervading spirit of optimism and go-ahead in the western Chinese provinces, it seems absurd to think that Japan could possibly subdue China. This spirit is unbeatable; China can never be conquered." Mr. Fitch appealed to his countrymen to stop immediately the traffic in arms and raw materials with Japan, and said, "It is intolerable that we should continue to share in Japan's war guilt."

With the elimination of the unstable elements, the solidarity of the National Government is being further strengthened. Various political parties are said to be working in close cooperation with one another for the continuance of armed resistance and national reconstruction under the leadership of Gen. Chiang Kai-shek. Tibet, Sinkiang and other far-flung provinces have recently dispatched representatives to Chungking to renew their pledge of loyalty to the resistance policy of the government.

The 100th birthday anniversary of Ma Hsiang-pai, member of the National Government, and well-known educational leader, was celebrated last week at Chungking and Shanghai on an elaborate scale. The National Government issued a mandate, commending the grand old man for his meritorious services to the state.

Situation in Shansi

Japanese domination in south-west Shansi is confined to a narrow strip of territory extending less than five miles on each side of the Tungpu Railway, and never covering the whole plain, according to *Reuters* special correspondent with the Chinese forces in Shansi. Even along the railway, he said, this domination is only partly effective and after dark the Japanese scarcely ever stir outside city walls and block-houses.

Intensive military training will be given to all able-bodied male citizens between the ages of 18 and 45, throughout the country, within one year, according to new regulations for the enforcement of military conscription formulated by the Military Service Replenishment Committee.

Since April 1, a large consignment of arms has been sent to China by way of the Burma-Yunnan and Kwangsi-Annam highways. The consignment includes 200 field guns, 300 military trucks and 1,000 machine guns.

Addressing the cadets of the Military Staff College at Chungking, Gen. Chiang Kai-shek analyzed the international situation and urged them to prepare themselves for the fulfillment of their important mission.

T. C. Yen, younger brother of Dr. W. W. Yen, prominent engineer, and former acting vice-minister of Railways of the National Government, has received from the Lehigh University, his alma mater, the honorary degree Doctor of Laws in recognition of his services to his country, through the Chiaotung University in Shanghai on the occasion of its 43rd anniversary.

British Kidnap Victim Collapses After Release

H. F. Dyott, 52 year-old chairman of the British Chamber of Commerce in Tientsin, who was rescued on April 3 from the hands of armed bandits who had abducted him on March 17, collapsed on Apr. 11 and was sent to hospital, *Reuter* reported.

Mr. Dyott was released through the efforts of a mixed party of British and Japanese, who proceeded to a spot near Hsiaochan, seven miles inland from Koku, on the Tientsin-Taku Road. When he returned to Tientsin, Mr. Dyott appeared to be in quite fit condition.

Tibetans Are Praying For China's Victory

BY C. Y. W. MENG (孟長泳)

DURING my sojourn in Szechwan I have had several interviews with Tibetans—officials, Lamas, scholars and merchants—as well as with Chinese who are familiar with Tibetan affairs. In the past half year, I had correspondence with both the former representatives of the Dalai Lama and the newly-appointed representative in Chungking of the Tibetan regency government.

"Although Tibet has not sent any soldiers to the front, the whole Tibetan people, being Buddhists, have been praying for China's victory ever since the outbreak of the war," Ah Wang Sang Tan, official Tibetan representative here said to me. This explains the actual relationship between Tibet and the National Government of China. Contrary to Japanese propagandists, Tibet is loyal and wants China to win.

Lamas Offer Prayers

The view of this Tibetan representative was echoed by his predecessor, Ah Wang Chien Tsan, who represented the Dalai Lama. He told me how, when the war broke out, the Tibetan government assembled the Lamas of three big temples and prayers were offered for China's victory. I asked him whether there was any possibility of Tibet sending any troops to the China front, pointing out that Mongolian and Mohammedan cavalry are taking part in China's war of resistance. He replied that the possibility existed, but that the difficulties are great, mentioning lack of communications between Tibet and China and the inability of Tibetans to live in other than mountainous country.

Recently, the Tibetans sent an official delegation to Chungking to present a banner to Generalissimo Chiang Kai-shek. Lhasa also issued a telegram pledging loyalty to China's National Government in the struggle against Japan. All my observations go to show that the Tibetans are fully alive to the implications of China's national crisis. They know the fate that has befallen the Manchurian and Mongolian peoples. They are eager to help China in the war, but at present they confine their activities to praying for China's victory.

The Tibetan representative in Chungking told me that "in view of the many atrocities committed by the Japanese, and the fact that they are conducting an imperialistic policy toward China, the attitude of the Tibetans toward Japan is decidedly not one of admiration," as Sir Charles Bell, a British authority on Tibet asserted in an article entitled "Tibet and its Neighbors" (*Pacific Affairs*, Vol. 10, No. 4, Dec., 1937).

"It is true that Sir Charles Bell has made a thorough study of the Tibetan problems and language, but I never heard that the Tibetan authorities had ever asked him to advise the foreign policy. The Tibetans never have had any admiration for the Japanese; nor do they entertain any hatred towards the U.S.S.R.," said the new Tibetan representative.

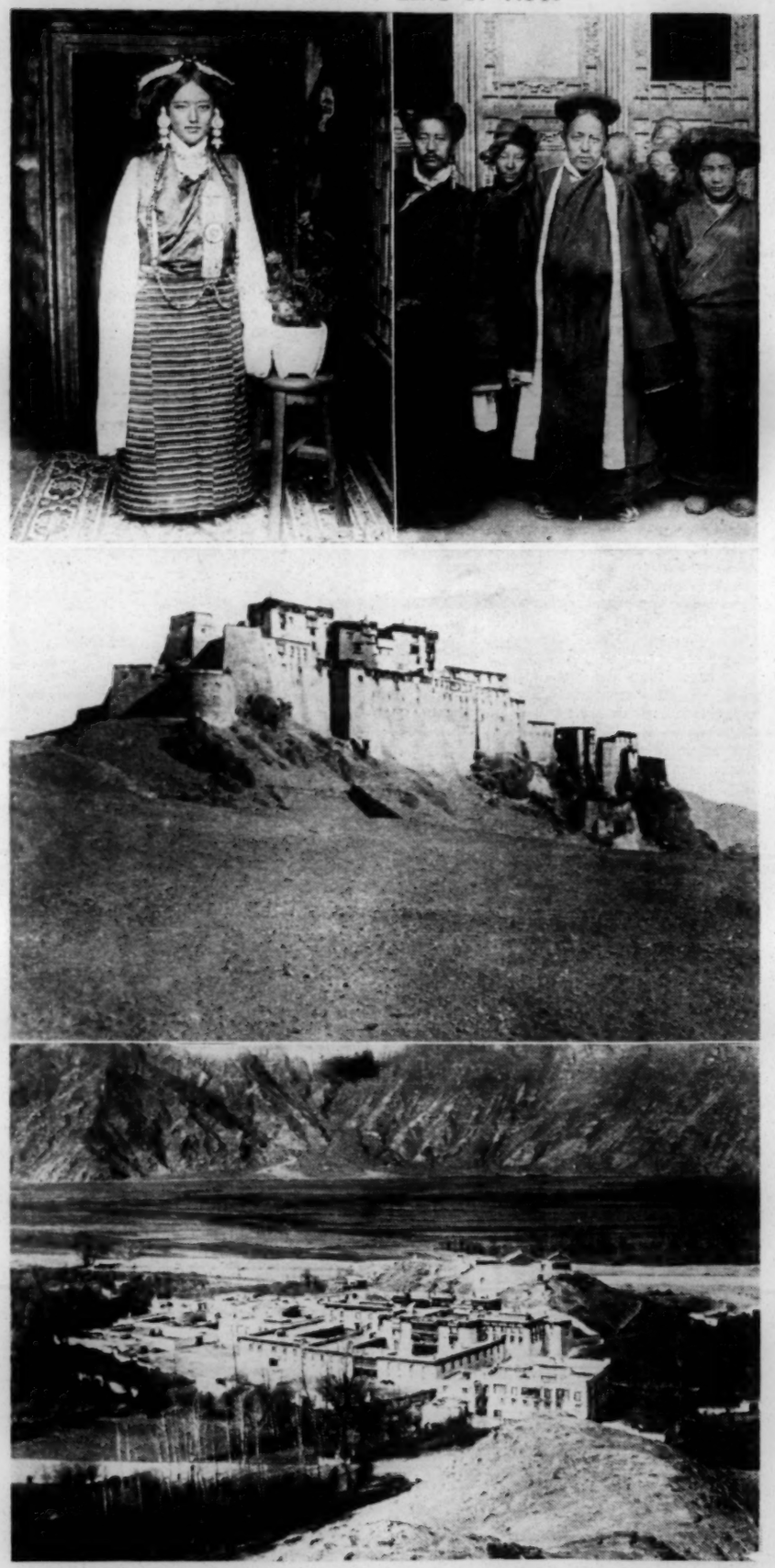
Tibetan-Soviet Relations

Tibet and the U.S.S.R., he said further, are separated and have no mutual contacts. Consequently there is neither good nor bad feeling between them.

My conferences and contacts with Tibetans as well as with representatives of the *miao* (aborigines) convince me that there is really a mass awakening in China now. Not only in the war areas or their vicinity where people have witnessed the terrible destruction and sufferings of the people at the hands of the invaders, but throughout the length and breadth of the land.

Chungking, Mar. 4, 1939

In the Ancient Land of Tibet



Top left is pictured a typical Tibetan beauty, while at the right is a group of ministers belonging to the government of the Dalai Lama. Center, the imposing castle at Sigatze standing majestically on a cliff overlooking an austere plain. Below is a view of the Kundelin Temple, situated in a suburb of Lhasa. It is counted among the first four of Tibet's most famous lamaseries.

The Unorthodox War Continues

BY EVANS F. CARLSON
(*Amerasia*)

Editor's Note—Captain Evans F. Carlson is an officer of the U.S. Marine Corps who has studied affairs in the Far East for some 12 years, of which eight were spent in China. From August, 1937 to November, 1938 he was with the Chinese armies as an observer and made a special study of guerrilla activities, especially in the region controlled by the Eighth Route (former Red) Army in the Northwest, where he spent some time before returning to the United States. The author here expresses only his personal views.

WHEN the Lukouchiao incident of July 7, 1937, gave warning of the imminence of the long-expected Japanese invasion of China, those foreigners whose knowledge of China was limited to the boundaries of the foreign settlements gave the Nanking government three months more of life. China, they said, with her inferior armies, her inadequate industry, and her unreliable officials, could never be expected to withstand the determined assault of Japan's well-oiled military machine. Twenty months have now elapsed and the struggle continues. In fact, today China is stronger than she was at the commencement of the struggle. She now has a background of twenty months of experience of warfare against a foreign power, an experience which has welded together the loyal elements of the country, taught her how to marshal her strong points against the weak points of her enemy, and which has compelled her to initiate a new economy based on her own resources and the initiative of her industrialists and economists. How has this amazing capacity of the Chinese nation for sustained resistance come about?

In the first place, it is well to point out that the atmosphere of the port cities of China is no more significant of the spirit of China than that of Paris is indicative of the spirit of France. In the days when China was controlled by a handful of professional politicians, who dominated the untutored masses, foreigners of the treaty ports could, within certain limits, anticipate future political trends. Such politicians were basically corrupt, and were wont to turn over to an opponent with slight hesitation, if the inducement were sufficiently inviting. But during the past decade the people have become more articulate, the warlords have been driven to cover (largely underground), and a new group of leaders has arisen, leaders with a pride in race and nation, and possessed of a desire to raise China to the status of a great democracy.

The spirit of this new China can only be sensed by mingling with the people in the interior, talking with the young officials of the provinces and *hsien* (counties), and feeling the pulse of a nation that is essentially agricultural in character.

The Turning Point

The regeneration of China commenced in 1928 when the Kuomintang government was established at Nanking, after its armies had succeeded in marching from Canton to Peiping. A major turning point in the regeneration occurred when the civil war against the Communists was abated as a result of the conversations which were held between Generalissimo Chiang Kai-shek, Marshal Chang Hsueh-liang, Chou En-lai (representing the Communists), T. V. Soong, and others, at Sian in December, 1936. Although the Generalissimo was forcibly detained at Sian at that time, it is one of the curious paradoxes of Chinese psychology that he suffered no loss of prestige thereby. In fact, he emerged from this episode with increased power, and became the symbol of a united China. His decision to form a United Front with the Chinese Communists assured to him the devotion and support of the underprivileged throughout the nation, for whose welfare the Communists had fought.

There was little resistance to the initial invasion of North China by the Japanese army. Concentration of a crack Chinese army in the North would have weakened the position of the capital at Nanking, while the long lines of communication would have been an embarrassment. Generalissimo Chiang preferred to hold his armies along the Yangtsze, and to leave to his opponents the task of maintaining long lines of communication.

The responsibility for the affair which brought the "China Incident" to Shanghai will probably never be authoritatively determined. Probably the determination is not necessary. If the responsibility may be credited to the Chinese it was a smart move, for it served to divide the Japanese military effort, and brought the fighting to a theater in which the Generalissimo was better prepared to employ and provision a large army. Even from the diplomatic point of view it could be counted as a shrewd maneuver, for a battle at Shanghai, commercial metropolis of the Orient, with a population which included upwards of fifty thousand foreigners, and in which were lodged millions of dollars of foreign investments, would immediately command the attention of the world and focus inquiring minds on the character of the Japanese action in China. And so it did.

The strategy employed by Chiang Kai-shek at Shanghai has been the subject of considerable debate among military men. One school of thought has maintained that he should not have resisted along a line which was within range of the guns of ships lying in the Yangtsze or Whangpoo rivers; another school asserts that he was correct in commencing his resistance at the water's edge and forcing the Japanese to fight for every inch of ground they gained thenceforth.

It would be tedious to go into all of the factors which must be considered by a military commander before he can determine on any major plan of action. It would appear that China's inferiority in modern military equipment and her superiority in quantity of manpower and extent of terrain must have been among the paramount factors considered. China's cue was to strive for a protracted war, and to utilize every opportunity to reduce the strength and morale of the forces of her opponent. The tactics of the Generalissimo at Shanghai succeeded in extending the battle over a period of three months at an estimated cost to the Japanese of fifty thousand casualties and millions of yen in treasure. If the Chinese high command had more diligently guarded the right flank of the army on Hangchow Bay, a weakness which the Japanese were quick to exploit, the Chinese army probably would still be resisting somewhere between Shanghai and Nanking.

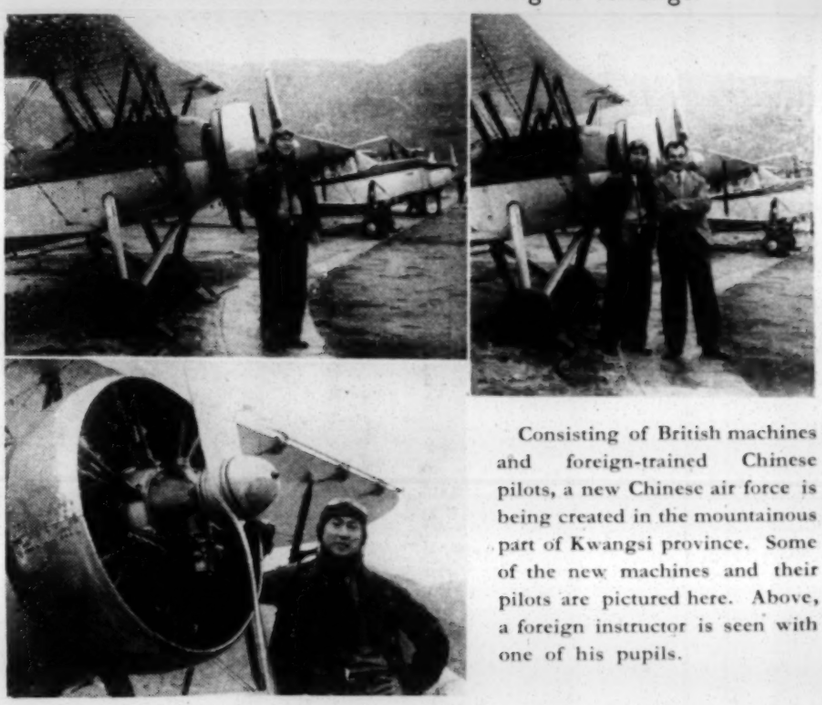
Unorthodox Conflict

The conflict in China is not an "ordinary war" in any sense of the term. Primarily it is a conflict between a nation whose people, though materially weak and sociologically backward, are fighting for the security of their homes and the integrity of their country, and a nation which, possessing a modernly equipped army and navy, seeks to conquer them.

Considered from the standpoint of the tactics and strategy employed, the conflict is decidedly unorthodox. Japan considered that the occupation of all rail communications and large commercial centers would

(*Continued on page 208*)

New Chinese Air Force Growing in Kwangsi



Consisting of British machines and foreign-trained Chinese pilots, a new Chinese air force is being created in the mountainous part of Kwangsi province. Some of the new machines and their pilots are pictured here. Above, a foreign instructor is seen with one of his pupils.

China's Need of Spirituality

BY MADAME CHIANG KAI-SHEK

Editor's Note: Following is a translation of the tenth and final instalment of Madame Chiang's "Resurgam," which appeared in serial form in the special New Life Movement supplement of the Central Daily News, Chungking. This article by the director-general of the movement was published on March 19th

IT is a commonplace of modern life that if a person is ill he should be cured. To be cured the cause of the illness must be diagnosed. If an operation is deemed necessary, the surgeon's knife is invariably applied without hesitation. If neglectful living has caused the internal economy to fail in its functions, drastic action is taken to restore normality.

As it is with man so it should be with his country and its administrative organs; so it is with those countries capably organized and wisely governed; so it must be with China.

To the end that this country of ours should adopt the quickest means to renew its vigor—which it can do by wise application of proved modern scientific advice and treatment—I have, during the past nine weeks, been exposing the cankerous growths which have debilitated our body politic so seriously during recent generations. I may have been too brutally frank in laying bare some of the ills to which our flesh is heir; but I have knowingly been so, feeling that it is imperative that we should know the worst in order effectively to achieve the best.

It has been my hope to inspire all delinquents possessed of a sense of shame to reform or resign. I have hoped to inspire all patriotic people blessed with integrity, with forthrightness, with the will and the capacity to detect and overcome national shortcomings, to unite and align their honesty of purpose and their zeal on the side of energetic reform and reorganization.

Sowing the Seed

I have hoped, by challenging all sections of our society, to sow the seeds of a nation-wide movement in which all our intellectuals would cooperate to work for the abandonment of worn-out, costly, and inefficient methods—as well as bad customs and habits—in all spheres of administrative and economic activity. And I hope with equal earnestness for the intelligent, speedy adoption of tested new methods to wisely, honestly, and forcefully develop all our innate powers and resources so that early victory may come to our resistance of Japanese aggression, and so that a new China may be forged in the fires of the war which is now consuming so many of our people, so much of our material wealth.

In the previous nine articles I have been stressing mostly the necessity for care of the material side of national reorganization and reconstruction, leaving for this final article, special reference to the supreme need and importance of national spiritual development.

In this respect the National Defense Council anticipated a suggestion of action by launching, on March 11, a program for National Spiritual Mobilization. That scheme seizes hold of the essential need for the blotting out of evils I have already exposed to public scorn, and moves to marshal for national requirements the best of national character. Its objective is:

"To concentrate the spirit of the entire people under one simple and common aim so that the citizens may each adhere to the ethics of national salvation and possess a common belief in national reconstruction with the object that each citizen may struggle and sacrifice for the very ethics and beliefs he upholds."

In this nutshell has been embodied the principles I have been urging for adoption. A committee under the chairmanship of the Generalissimo has been appointed to elucidate and enforce them, and in the latter task is the opening for all true citizens to become active and to exert themselves to secure the kind of national life and develop the type of patriotic citizen which are necessary for a rejuvenated and rehabilitated China.

Here is the long-awaited opportunity knocking at the door of all who possess the qualifications or knowledge requisite for the institution of radical reforms. Those who fail to take advantage of it are unworthy of their citizenship; those who do so will have the lasting satisfaction of knowing that they are contributing materially to the triumph and the regeneration of their country.

The important bearing that spiritual stimulation will or will not have upon a people may be gauged by but a moment's consideration of the character of the Japanese, as revealed for all the world to see, during the past 20 months of their unjust and remorseless aggression in our country. Hitherto the Japanese have prided themselves upon two transcendent qualities: One, their chivalric spirit as embodied in the teachings of their Samurai and their Bushido; and,

When Nippon's Sky Raiders Appear

Cartoon by Fong Tsi-kai

In the last issue of The Review we produced an example of the horrific in Chinese war-time cartooning. Above is another by the same artist—a baby's head is blown off as the mother rushes to shelter during an air raid. The Chinese characters accompanying the above cartoon, as with the one published last week, are a poetic commentary on the subject of the drawing.

The important bearing that spiritual stimulation will or will not have upon a people may be gauged by but a moment's consideration of the character of the Japanese, as revealed for all the world to see, during the past 20 months of their unjust and remorseless aggression in our country. Hitherto the Japanese have prided themselves upon two transcendent qualities: One, their chivalric spirit as embodied in the teachings of their Samurai and their Bushido; and,

two, their material progress as evidenced by their industrial development and their accumulation of modernized military strength.

Before the military leaders of Japan had decided to proceed with their plans for expansion upon the continent at the sacrifice China, the world at large accepted the Japanese upon their own valuation as being civilized, cultured, and chivalrous. And the world also accepted them unconditionally as an invincible military race upon an exactly similar premise.

Japan went to war, unjust as was the excuse, with the world convinced of her swift and merciful victory; but perhaps the most remarkable revulsion of opinion in history took place within a few months. Horror piled upon horror, and the Christian world stood aghast when Japanese officers and soldiers, in their exasperation at the quality of the courage shown by the Chinese troops, and the high spirit of resistance displayed and maintained by the Chinese people, defiantly dropped the mask of civilization and the chivalric pose, and conducted themselves as unrighteous and unprincipled beings who would stop at no illegality, injustice, untruth, inhumanity or bestiality to attain their end.

The Unbridled Invaders

The world was shocked, and it wondered, but the Japanese continued month after month to outrage humanity and stood in time completely stripped of the veneer of spurious spirituality by which they had won the good graces of the world. They became more and more exposed as the ungovernable product of unadulterated brutal materialism and as the ruthless vindicators of the fallacy that might is right; the self-acclaimed descendants of gods to whom all people who do not serve their purpose are regarded as being no better than scum upon the surface of the earth.

History will show just how much all their unspiritual materialism will profit them; but what is already revealed to us should be an immediate profitable lesson to all of our people. And what we see is that Japan's fall is approaching fast, and will be due to her devotion of 60 years of intense effort to the development of material and martial grandeur while utterly neglecting to inculcate in her people spiritual qualities which, in any case, are inherent in humanity.

With this warning burned by the Japanese into our very national and personal souls we must see to it that we cling to and absorb into our lives those old virtues of our forbears which have enabled us to survive not only through the centuries but also through the most inhuman calamities of warfare that have ever been inflicted by superior calculated might upon a vast industrious, unarmed population.

The way for us to elevate and enrich ourselves is to march along the spiritual path opened to us by the plans just promulgated by the Government. We must follow them constructively, confidently, and unfailingly. We must enlarge upon them, and we must use, too, whatever other spiritual support we can find that is satisfying and salutary.

More than ever it behooves us to see to it that our nation is rebuilt upon a spiritual foundation, to foster our valued cultural heritage, and to build soundly and well whatever we do build. With our people spiritually mobilized for the good that can be done for our nation we can save our birthright and our race; we need never fear for ourselves or be afraid of anyone, and we can find inspiration as well as infinite solace and pride in the unqualified acceptance of the stimulating watch-word RESURGAM—"I shall rise again"—which we will implement to the full.

The Unorthodox War

(*Continued from page 206*)

enable her to dominate the country. She has frequently sent a division or a corps to do a job which, against a nation possessing a modernly equipped army, would have required a force five or six times larger. Instead of concentrating on one section of the country and attempting to bring that under complete control before moving to another section, she has driven wedges along the main lines of communications from Peiping in the north to Canton in the south. The result has been to give her possession of certain points along those lines of communication, while the countryside remains under Chinese control. An apt analogy would be an attempt to plow the ocean. Chinese resistance rolls off the sides of the Japanese plow—and unites behind it.

The character of the Chinese resistance is equally unorthodox. The Chinese people may fight among themselves, but they have a pride in race and a love of family which the centuries have failed to shake. They are resourceful, courageous and peace-loving. A standard of living which affords them a bare existence has inured them to hardship and privation. Even in the days of the Empire China's government was decentralized. Provincial governors and the magistrates of the *hsien* have always enjoyed considerable latitude in the administration of civil affairs. These factors are now among China's assets. The people have mobilized by districts and provinces. Foreign invasion has inspired them with a new sense of nationalism. And so today China's strength is lodged in the people, welded together by the devotion to race, and loyal to the nation which personifies that race. Directing their efforts is the symbol of that nation: Generalissimo Chiang Kai-shek.

C. P. No Longer Marxist

Paramount among the groups from which the Generalissimo now draws his strength is the Chinese Communist Party. Although this group bears the label "Communist," and although Karl Marx is one of the leaders of thought whom they revere, the political and economic ideologies which they have evolved are far removed from the Marxian theory. Fundamentally they represent the peasants and workers of China who, through the years, have been inarticulate and downtrodden, and whose welfare they strive to improve.

The military weapon of the Communist Party, which might more truthfully be called the People's Party, is the force which is now known as the Eighth Route Army. The leaders of this army are men of high integrity, intensely patriotic and utterly selfless. They feel that China can best offset the Japanese superiority in modern military equipment by developing what they term totalitarian resistance.

Three Main Factors

The pattern of resistance which they advocate is composed of three main factors. The first is the regular army, which receives an ethical indoctrination designed to maintain morale at a high level, and to teach the troops that the people are their allies and are not to be mistreated. The army is supplemented by volunteers, which they term "partisans." These partisans are uniformed, armed, and receive the same type of training as does the army. Eventually they become equally efficient.

The third factor in the pattern is the people. They are mobilized on the *hsien* basis (by counties). In each *hsien* societies are formed according to economic groupings, so that each person in the *hsien* falls into one group. Thus there is a society for the merchants, another for the workers, and one each for the peasants, women, children, etc. Membership is voluntary. Through these groupings the people receive academic and political education. They are taught why China is fighting Japan, how to govern themselves, and are instructed as to the contribution they are to make to the general pattern of resistance.

Hsien are grouped into districts, and districts are controlled by the provincial governments, so that the effort of all the people may be intelligently coordinated with the military effort. The economy of each military district is controlled with a view to making it self-sufficient. Industrial cooperatives provide the manufactured products which are required.

This pattern of resistance now prevails in North Shensi, Shansi, Hopei and part of Shantung. Reports from Chungking that the Generalissimo is swinging to the left really mean that he has decided to adopt the major points of this pattern for application all over China. It does not mean that he is swinging to the type of communism which the term conjures in the mind of the average American.

Spells Nippon Failure

So long as the people remain united and no major group compromises with the Japanese this pattern bids fair to result in the failure of the Japanese adventure on the mainland of Eastern Asia because: (1) the reservoir of manpower and of natural resources of China far exceed those of Japan; (2) Japan has insufficient troops to occupy all of China; (3) the cost to Japan of maintaining an army in China is far in excess of the cost of the war to China.

There is a third political group in China which must not be overlooked. The National Socialists of Kwangsi Province are led by two of China's topnotch military men: Generals Li Tsung-jen and Pai Chung-hsi. These men are intensely nationalistic, and have the interests of the people at heart. General Li has said that, since the Communists gave up the class struggle and focused the minds of their followers on nationalism and resistance to Japanese invasion, they are really following the principles of his party. Whether or not this is true, it is evident that the leaders of these two parties have much in common. All are pledged to continue resistance so long as Japanese troops remain on Chinese soil. All are interested in improving the welfare of the underprivileged. Moreover, the Kwangsi troops are among the best that China has produced, and Kwangsi Province is admirably governed.

Three Phases of Struggle

The Chinese have divided the struggle into three phases. The Chinese defensive phase ended with the fall of Hankow. During the guerrilla warfare phase the Chinese are attempting to

(1) make it impossible for Japan to control China by political means;
(2) make it impossible for Japan to exploit the natural resources of China;
(3) make it impossible for Japan to move supplies along her lines of communication.

When and if Japan commences the withdrawal of her troops toward the seacoast, as the result of the realization of these objectives by the Chinese, the latter will initiate the final or Chinese counter-offensive phase. China's main striking force has never been destroyed and stands ready to execute the final coup de main when the time is ripe.

A nation can never be conquered so long as the people possess the will to resist. China still has that will. Both leaders and followers now have everything to gain and nothing to lose by continuing to resist. Moreover, this conflict has forced on China a social revolution which is progressing with an effectiveness which, under normal conditions, could not have been attained within another century. Tomorrow may bring other imponderables into the picture, but today the facts are clear. The Giant stirs, and China has the prospect of becoming a great world power.

Chinese Counter-Offensive Claimed Under Way On All the Battle-Fronts

CHINESE dispatches from Chungking said this week that a counter-offensive against the Japanese invaders had gotten under way on all fronts. On April 10, according to a *Reuter* dispatch from the provisional capital quoting authoritative quarters, the counter-offensive either had started or was on the eve of starting on all fronts "from Inner Mongolia to Kwangtung."

The same date *Kuo Min* announced from Chungking that at a meeting of the Supreme National Defence Council held last week at an unannounced place, a decision had been reached to launch a concerted counter-attack against Japanese forces in all war zones in accordance with the military program for the second stage of the campaign of resistance.

Presiding at the meeting, the agency said, was Gen. Chiang Kai-shek, while among those present were Gen. Feng Yu-hsiang, Gen. Li Tsung-jen and Gen. Pai Chung-hsi, also an unnamed "high commander" of the Eighth Route (former Red) Army.

Instead of remaining on the defensive to await a Japanese advance, high military officials were quoted as saying, the Chinese forces will now take the offensive actively on all fronts. The agency said that several crack Chinese divisions had arrived at various fronts in north, central and south China in preparation for the big counter-offensive, "which will be of a far-reaching character." Mobile units in the guerrilla areas behind the Japanese lines had also been instructed to intensify their attacks on the Japanese rear, and to keep incessantly harassing Japanese troop movements and communication and supply lines, it was stated.

Army of One Million

The same Chinese agency reported from Chungking that as a result of the enforcement of military conscription in the various inland provinces, a new army of 1,000,000 men has been raised. This new army, it was claimed, is well-trained and equipped and will play an important part in the Chinese counter-offensive.

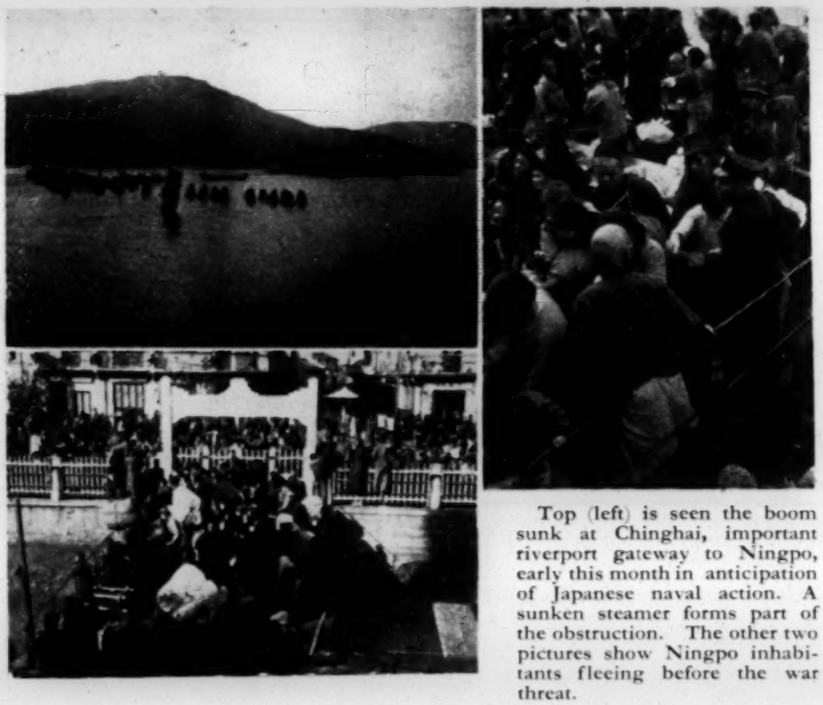
According to the same report, large quantities of war material are continually reaching China from Europe and America. These supplies, accumulated at secret inland points, were said to be already sufficient to last for three years.

Lending verisimilitude to the reported counter-offensive, all military reports during the past week, both from Chinese and Japanese sources, have indicated a slowing down of the Japanese drive in central China, which has as its main immediate objective the capture of Changsha, provincial capital of Hunan. On some sectors the Japanese forces were apparently compelled to abandon important positions captured earlier.

Kaoan, in western Kiangsi, taken by the Japanese on Apr. 2, was retaken by Chinese forces on Apr. 8, *Kuo Min* reported. Capture of the city, which is located on the Nanchang-Wantsai highway, followed a counter-attack staged when Chinese troop reinforcements arrived. According to *Domei*, a Chinese attempt to retake Wuning, on the Siu River, was repulsed the following day.

On Apr. 6 Chinese regulars, in conjunction with guerrilla forces, launched an attack on Yochow, important city on the northern section of the Canton-Hankow Railway in northern Hunan which was captured by the Japanese invaders shortly after the fall of Hankow last October. The attack apparently did not succeed in gaining its objective, although Chinese reports claimed that the attackers succeeded in occupying several strategic points near the city.

When Japanese Threatened Chekiang Coast



Top (left) is seen the boom sunk at Chinghai, important riverport gateway to Ningpo, early this month in anticipation of Japanese naval action. A sunken steamer forms part of the obstruction. The other two pictures show Ningpo inhabitants fleeing before the war threat.

American Church Bombed

The Trinity Church, property of the American Church Mission in Changsha, was bombed and damaged in an air raid on Apr. 4. *Kuo Min* said that six bombs exploded within 20 yards of the church and recorded this as the 15th case of Japanese air bombardment of American property reported since Mar. 1. The *Shun Pao* report on the subject said there were no casualties.

Four Nippon airplanes bombed Kian, western Kiangsi, on Apr. 7, destroying more than 20 houses. The branch office of the Central Bank of China was hit and a clerk and a policeman killed, while the offices of the *Hua Kwang Daily News*, a paper which had moved to Kian from Nanchang, were demolished.

In a Japanese air raid on Hengyang, eastern Hunan, on Apr. 6, a large section of the city was set on fire by incendiary bombs and a large number of people killed. Changteh in northern Hunan was bombed again on Apr. 7, 20 persons losing their lives.

Two Japanese bombers were shot down in an aerial battle over Kunming, Yunnan capital, Apr. 8, according to Chinese dispatches from Chungking. On the same day, 53 persons were killed, 199 wounded and 194 houses demolished in a Japanese air raid on Kinhua, Chekiang province. The raiders dropped 40 bombs and large parts of the town went up in flames. At least 50 persons were killed and 30 others wounded in another raid on Shanjao, on the Chekiang-Kiangsi Railway, on the same date, *Reuter* reported.

Tripartite Alliance Is Proposed Against Japan

Opinion is gaining ground in Canadian parliamentary circles in favor of a tripartite alliance between Britain, Canada and the United States, a *Havas* message from Ottawa stated on Apr. 8. The agency quoted *Canadian Press* as saying: "Out of the foreign policy debates in the Ottawa Parliament there arises one important project, that of forming a North American military alliance, embracing Great Britain, the United States and Canada, which would also extend its scope to the Pacific."

Pro-American sentiments expressed in parliamentary speeches, the item continued, reflected the new tendencies and atmosphere in which the impending Imperial parleys (the reference is apparently to the forthcoming visit of the British King to Canada) will take place.

The *Canadian Press*, according to *Havas*, reported the foregoing in conjunction with an address delivered by Mr. Howard Green of Vancouver, who suggested an alliance of the three countries "with a view to protecting Canadian coasts, now facing the threat of Japan."

Lebrun Elected President Of France For New Term

M. Albert Lebrun was re-elected President of the French Republic by an absolute majority of 453 votes at the electoral meeting of the National Assembly held Apr. 5. Of the 904 valid votes cast, M. Lebrun polled 506. M. Bedouce (Socialist) received 151 votes, Marcel Cachin (Communist) 74, Senator Godard 57, M. Edouard Herriot 53. There were several other candidates.

It was reported that the meeting of the Assembly broke up in disorder after the votes were cast. While the Right and Center delegates applauded the re-election of M. Lebrun, the Left shouted for his resignation.

The Tokyo of Fifteen Years Ago

BY RICHARD HALLIBURTON

(Kansas City Star, Feb. 5, 1939)

Editor's Note—The author of this article, judging by latest reports, may have gone to the watery grave, which, as he indicates here, he feared might be his fate. After setting out from Hongkong in his junk, the "Sea Dragon," hoping to place the vessel on exhibition at the San Francisco Exposition after crossing the Pacific, Halliburton and his junk were reported missing last week. It is feared the junk may have foundered in a storm.

I HAVE just spent two weeks in Japan. I went there to call upon the Japanese naval and foreign departments to explain to them that several weeks hence I would be sailing away from China in a brand new Chinese junk, manned by ten Americans, sailing through the war zone, through the naval blockade, over the watery graves of countless other junks, which have been sunk by Japanese shells and bombs. I wanted to make sure that my junk, the Sea Dragon, would not suffer this unhappy fate, but be allowed to proceed on its way to San Francisco unmolested.

The Japnaese foreign office gave me every courtesy. Its officials loaded me with documents and assurances. I hope all this means something—I hope so despite my strong suspicion that the assurances and documents give me no actual protection. Japan's forces in the field have already proved to be irresponsible. I fear that the Sea Dragon's shining new sails will make a target too alluring for the Japanese navy to resist: "Let's see if we can hit that red junk at five miles!" Our American flag may be taken as some Chinaman's artful dodge. And then when we're sunk, the Japanese will apologize as only the Japanese can.

He Got Documents

However, I have the safe-passage documents in my pocket and will carry them with me—even to the bottom of the China sea.

I am grateful that this official business was stretched over fourteen days, for it gave me a chance to see Japan again. In 1923, in the course of a long journey, I passed several months in Japan. Every moment of my stay increased my delight in being there. The people were so extravagantly courteous and quaint; their bustling paper cities so bizarre. I postponed my own departure as long as possible.

That was fifteen years ago. Soon after I left, the little empire was shaken and broken by the great earthquake, which struck with horrible violence. Years of intense reconstruction followed. And now Japan is experiencing another violent adventure—the war with China.

So, when affairs connected with my junk-sailing expedition took me to Tokyo, I was alert to note how fifteen years, and earthquake and war, had altered life there since I saw it last. The city itself had been virtually rebuilt—would the citizens also be different? Judging from all I had heard, I feared the new order might prove strange indeed.

Writers Are Suspect Now

My fears were soon confirmed—by the immigration officer at Yokohama. "A writer!" he said grimly, looking at my passport. "For what newspaper do you write, please?" That was the beginning of the inquisition—very lengthy, very searching, deadly polite. Had the passport described me as a professional thief or an indigent leper, my welcome would have been warmer. Writers are suspect in Japan these days. Only most grudgingly did the little man with the sword and the rubber stamp admit that he couldn't actually prove my criminal intent, and—still bristling with suspicion—allow me to land.

What a comedown from the previous esteem in which Japan held writing! Authors, once ranked above even the generals, now rank below the drummer boys. "These scribblers," says the Tokyo government, "forge a 2-edged sword. Let us be the ones to wield it." So wherever Tokyo rules, the writers are either silenced or debased. Nor do books from outside enter any more, though they used to be high on the import list. Second-hand volumes can be sold for more than their original price. The once well-read nation is starving for the books it is denied.

At the custom inspection every one of my books was closely scrutinized. The pages were ruffled, the pictures studied. Apparently a book can be as dangerous as a bomb. But I had nothing more subversive than Webster's Dictionary and my latest "Book of Marvels" for children. As the latter has some half dozen views of Fujiyama, the dour inspector actually relaxed to smile. Here was another case where one picture was worth 10,000 words.

The electric train to Tokyo was swift and clean. It carried me, in the early evening, through one of the most densely populated areas in the world—past a continuous stretch of tall chimneys breathing smoke. Not ordinary goods, but materials for war, keep most of these factories going day and night; cannon, rifles, bombs, with which to devastate China and force the Chinese to think good thoughts about Japan.

In most frivolous contrast were the thousands of brilliant neon signs which lined the railroad, rivaling Broadway itself. Traced against the night in glowing Japanese characters they seemed so many works of art. In Tokyo this dazzling display reaches a climax of color and fantasy. I recall one neon clock face five stories high, and a large theater banded from sidewalk to roof with shimmering bars of green and purple light! Tokyo after nightfall had the hectic color of fever, but surely not war fever. Nothing could have appeared gayer or brighter.

On Tokyo's Fifth Avenue

As soon as possible I hastened to the Ginza, the Fifth avenue of Tokyo. I remembered that in the old days a truly international crowd used to saunter there in the afternoon. I found all this changed. In the most crowded mile I encountered not half a dozen white faces.

The reason is obvious. Americans and English, formerly the most numerous among the foreign colony, have left in droves, driven out by Japanese officialdom. It is small pleasure to live in, or to visit, a country where we dare not write what we please in private letters—which may be censored; where our baggage may be secretly searched—as mine was on the train; where we can neither read nor say what we like; where it is a matter of official interest what train one takes, with whom one is acquainted, and how one passes one's time, be it ever so innocently. A nation at war is expected to take extraordinary precautions; but I understand that the lengthening tentacles of government snooping began their ceaseless search in Japan long before the war started.

The spy-phobia from which this results has been deliberately fostered. My recent visit to Japan happened to coincide with "National Spy Week!" Though they smile incessantly, the Japanese must have forgotten how to laugh—for how else can one explain the solemn absurdity of something called "National Spy Week!" Posters and editorials announced it; lectures with movies were held in public auditoriums; school children wrote essays on how to detect and capture foreign agents. "One day on my way to school I saw an old man dressed as a fishmonger, peeping in the window of an airplane factory . . ." begins one of the published prize winners. There is for me something terribly depressing in the thought of thousands of well-drilled school children, all heroically counterspying at once.

Germans and Italians Favored

Germans and Italians enjoy considerable immunity from Japan's intense suspicion. Bound by "cultural" alliances, the three nations emulate the famous monkeys that are carved over the doorway of a shrine at Nikko: they see, hear and speak no evil—of each other. Such an exchange of compliments, such a waving of each other's flags! The Italians rate pretty high, but the Germans rate so *very* high that the Japanese have managed to ignore everything which Hitler, in his "Mein Kampf," says about the yellow races. (It is nice, of course, to know that Japan can accept an apology as easily as she gives one.) For the time being, these three Fascist powers are treaty friends. The last thing I saw, sailing from Kobe on a German ship, was an enormously fat Japanese gentleman, who bulged over the railing of the pier, waving a Rising Sun and a swastika, and mingling *Banzais* with *Heil Hitlers*.

The government has decided that the people must cheer more loudly for this alliance with Italy and Germany. So the obedient theaters show German films, or put on revues full of gondolas and "O Sole Mio." During my stay, the largest theater in Tokyo—where the entire cast, including the "male" players, are always very pretty girls—was having great success with one of these curious cultural efforts. It was called "Hello Berlin"—pronounced "Herro Berrin," since the Japanese are awkward with the letter "L." On the stage appeared tableau after tableau of girls in Nazi uniforms, more girls in Italian uniforms, still more girls in Japanese uniforms. They marched and countermarched to German music; they sang the Italian national hymn. This went on for four hours. The finale was a blaze of mingled Italian, German and Japanese flags.

In America we may take the alliance of these three dictatorships rather lightly, and wishfully think it has no foundation beyond convenience. But in Japan, one soon learns otherwise. The average Japanese fully believes that when Italy and Germany make war on France and England, Japan can lend a hand by seizing Hong Kong, Singapore and Australia, and can take the Philippines and French Indo-China in its stride.

Contrary to expectations, I found the war little talked about in Tokyo. Most Japanese—unless they were officials equipped with the official phrases—seemed either too afraid or too ashamed. Of the few who would talk, all had the definite idea that Japan is trying to "save" China. Mass murder of China's civil population is never reported in Japan. Seeing the happy, orderly throngs—in the theaters, along the Ginza, in holiday mood at the

(Continued on page 218)

Will France Try to Appease Italy By Sacrificing Port of Djibuti?

BY JULIUS R. KAIM

Editor's Note—The following article, written by a European journalist who visited Djibuti last month on his way to the Far East, deals with one of the subjects of the current dispute between Italy and France which many European observers believe will be forced to a showdown by Premier Mussolini in the near future.

IN his recent speech, Premier Mussolini referred to the port city of Djibuti, in French Somaliland, as being one of Italy's claims. More than four months have elapsed since Italy, more or less officially, laid claim to the port and the demand is not a surprising one, for the railroad running inland from Djibuti to Addis Ababa is the only real communication link between the capital of Abyssinia and the sea, while Djibuti, because of this fact, is the only port available for shipments to Addis Ababa.

Italy asserts that the French authorities charge excessive rates for use of the harbor and railroad and that France is supporting the Abyssinian rebels in their continued fight against Italian domination. Il Duce reproaches the French government for its refusal to place its Somaliland territory under joint Franco-Italian control. Yet it is apparent that Italy desires not a Franco-Italian condominium in Somaliland, but exclusive Italian possession of the territory.

The writer arrived in Djibuti on March 1 this year. It is a small town, not much more than a large village. It is dirty and dusty and swarms with flies, although situated on a beautiful bay which forms a natural harbor. Djibuti appears to be one of the most neglected of the French possessions. Except for the military road which connects the harbor with the army barracks, the streets are all narrow. A miniature-sized park in the center of the town is dried up and dusty. There are two rather modest hotels, a few modern business buildings and hundreds of the small Oriental type of shop which abounds everywhere along the African coast.

France's Interest in Port

One gets the impression that France was never interested in cultivating and developing this small territory. It was occupied, one imagines, only in order to cut Abyssinia off from the coast and the French government saw its entire value from this point of view. Nevertheless it has been possible for the French administration in Djibuti to control nearly all of Abyssinia's foreign trade and thus the harbor and railroad are excellent investments.

Emperor Haille Selassie remains to this day the owner of a sizeable block of shares in the Djibuti-Addis Ababa Railroad. Italy, since conquering and seizing his empire, has been demanding that these shares be turned over to her. It might be difficult to force the Negus to renounce legally his interest in the railroad, but even if a way were found the French Indo-China Bank would still be the majority shareholder. This official bank has authority, incidentally, to issue banknotes for French Somaliland.

One of the first places I visited in Djibuti was the railroad station. I was amazed at the antiquated equipment of this important line. Yet if Italy is obliged to construct another railroad, say from Massawa to Addis Ababa, it would cost her millions of gold *lire*.

Italy is in an awkward situation. She rules Abyssinia, but her communications with her East African empire are dependent upon the good will of other powers. A majority of the Suez canal shares are owned by Britain and France. British and Egyptian troops control the canal itself. There are those who believe that in the event of war Egypt would desert Britain and side with Italy, but this expectation is based on false political premises. The Egyptian government has already declared that it will not only aid Britain in war, but will place the Egyptian army under British command. On the other hand, Britain would regard any Italian attack on Egypt as an attack on British territory.

An Italian fleet entering the Red Sea in order to reach the East African coast has to pass through British-Egyptian controlled Suez. If it planned to sail west by the more round-about route it would have to pass Gibraltar, the Cape of Good Hope and—last but not least—Aden. It is ridiculous to imagine that Britain and Egypt will voluntarily relinquish control of Suez, and there is no other way by which Italy could become a partner in the administration of the canal. But even if Italy did acquire such a partnership, her route to her empire in Abyssinia would not be free as long as France retains Djibuti. Hence, Italy would need to become the possessor of French Somaliland.

In Paris, the writer learned that the French government is willing to discuss this question. One proposal advanced by certain politicians, but rejected by all parties, was to offer Italy a sort of condominium in Somaliland provided Italy should seek a friendly discussion of Franco-Italian disagreements. But Italy preferred to make known her claims in another way. No diplomatic pourparlors were sought. No note stating Italy's demands was sent to Paris. Instead, deputies in the Fascist Chamber, followed by the Fascist youth, demonstrated and demanded Tunis, Djibuti, Corsica and Savoy. Until this day the precise Italian claims are not known, but it is common knowledge that Italy will not content herself with any condominium in Somaliland or a new status for the Italian population of Tunis.

Italian Troops Concentrated

Meanwhile, Italy has concentrated in her African possessions more than 45,000 troops. France has sent to Djibuti some 2,000, to 3,000 soldiers, anti-aircraft guns and armored cars. It seems ridiculous to mobilize such modest forces against nearly the whole of Italy's colonial army, but within a few hours of my arrival in Djibuti I understood why France had done this.

Nearly all French officials in Somaliland are convinced that in case of war an insurrection, or even a thorough-going revolt against Italy, will burst forth in Abyssinia. In that event, Italian troops would be occupied in fighting the rebels. This forecast of development is made not only by French officials; it is shared by the Somali people as well.

Several French politicians have declared that the real reason why France has such

(*Continued on page 220*)

Where Italy and France Clash in North Africa

In addition to the Franco-Italian dispute over Djibuti, which is the subject of the accompanying article, France and Italy are at loggerheads in the North African territories shown in the above map.

Violent Anti-British Campaign Being Conducted by Japanese Puppets

SHOWING the widespread and organized character of the agitation against Britain and British interests in China which the Japanese have lately been conducting in this country through the medium of their puppet governments and local administrations, posters of an anti-British nature were discovered last week posted on walls in the western part of the Shanghai International Settlement, which is adjacent to the territory administered by the Japanese-controlled City Government of Greater Shanghai of which Mayor Fu Siao-en is the head.

The *Shun Pao*, leading Chinese daily, noted on Apr. 8, in an editorial, that the Japanese-inspired anti-British movement is gaining momentum in such places as Nanking, Hangchow, Kaifeng, Shanghai and elsewhere. The campaign was intensifed, the paper said, when the British ambassador to Japan, Sir Robert Craigie, arrived here last week to confer with Sir Archibald Clark-Kerr, British ambassador to China, who has now gone to Chungking on an undisclosed missjon.

At Kaifeng, capital of Honan province, 5,000 persons took part in an anti-British demonstration and mass meeting Apr. 4, *Domei* reported. The meeting adopted resolutions condemning British assistance to the Chinese government at Chungking as being "detrimental to the peace of the Far East." More than 20 men and women orators directed the fire of verbal attack at the recent British currency loan of £5,000,000 to China and demanded "the driving out of British influence from the Far East."

British Aid Denounced

In a declaration issued at Nanking Mar. 31, the Joint Commission representing Japan's puppet governments in Peiping and Nanking indulged in strong denunciation of Great Britain and Soviet Russia as "the principal powers backing the Chiang Kai-shek regime."

The *Kokutso* (Japanese) agency version of the declaration, as published in the *Manchuria Daily News*, characterized the two Powers as "bandits of egotism, fishing in troubled waters" and as "devils going about under the mask of peace." The text of the declaration was as follows:

"The foundations of the newly-risen authority are being consolidated from week to week. We owe this to the enthusiastic support of the people and the sincere collaboration of a friendly Power. The Joint Commission is gratified to observe that the Provisional and Restoration Governments, by sweeping away the horrible rule of the Kuomintang and by saving the people from intolerable misery, have brought them back into a freer atmosphere with a bright future.

"General Chiang Kai-shek and his party, both civil and military, usurped the government of the country, and pursued their own interest, regardless of the welfare of the people. In alliance with Communists, the public enemy of mankind, they inflamed Japan, our friendly neighbor, to conflict, and dared to throw the country and people into the abyss of destruction. At this critical moment, new regimes came into birth in North and Central China. The issue of right and wrong, success or failure in the long run, is clear beyond all doubt. In fact, we are in sight of our goal, the destruction of the Kuomintang regime.

"Notwithstanding all this, Britain and the Soviet Union, through their assistance extended to General Chiang Kai-shek, are out to realize their malevolent designs, at the sacrifice of Far Eastern peoples and by prolonging the current hostilities. Nothing could be more treacherous than their conduct. At a time, when the Chinese people, who have seen through their schemes and motives, are striving to oust these Powers, it is a matter of course that Japan, our friend and the greatest of Powers, will not allow herself to be deflected from her course by any outside influence or pressure. In spite of any and all machinations of Britain and the Soviet Union, our two regimes and the Government of Japan will not stop their campaign against Communism and for the annihilation of the Chiang Kai-shek regime.

"The Joint Commission makes this declaration clarifying our attitude, in order to uphold the established national policies of the Peking and Nanking Governments and save the situation unparalleled in its gravity. Thus and thus only can a new era dawn upon East Asia, and the future of the world is bright with hope. We make this declaration, convinced that renewed efforts are essential to oust the 'bandits' of egotism fishing in troubled waters, along with the 'devils' going about under the mask of peace."

In another statement, the Joint Commission announced that it would not recognize any loans made to the Chiang Kai-shek regime by foreign powers.

From a reliable source came a report that the Nanking puppets were broadcasting obscene charges over the radio against British residents in that city and that similar charges are being printed in puppet Chinese newspapers in various parts of the country. A *United Press* message from Hongkong said that anti-British posters, denouncing British financial assistance to China, appeared on the streets of Canton for the first time on Mar. 31.

At a press conference here, a Japanese military spokesman said that anti-British sentiments were not being promoted—that they arose spontaneously among the Chinese. In view of the historical record of Britain in China and the recent actions of the British Government, he added, it was easy to understand the attitude of the Chinese population.

In British Hongkong

This picture of Madame Sun Yat-sen (right) widow of the founder of the Chinese Republic, was snapped in Hongkong recently as Madame Sun departed from a meeting which she addressed on the occasion of International Women's Day. Accompanying her is Mrs. Wu Te-chen, wife of the former Mayor of Shanghai.

Another Peace Plan?

Speculation as to whether Britain is sponsoring a move to promote peace between China and Japan has been indulged in by the Chinese press in connection with the meeting here last week of the British ambassadors to China and Japan and the departure for Chungking (via Hongkong) immediately afterwards of Sir Archibald Clark-Kerr, the British ambassador to China. The *Sin Wen Pao* said the envoys' meeting showed that the British Government was interested in peacefully settling the Sino-Japanese dispute. Quoting unconfirmed reports, the paper said that Sir Archibald Clark-Kerr had carried with him to Chungking Japanese peace proposals which were brought here by the British ambassador to Japan.

Japan Holds Spratley Island Issue Closed

Japan regards her claim to ownership of the Spratley Islands, off the coast of Indo-China, as settled "beyond the scope of discussion," the Tokyo Foreign Office announced in a communique Apr. 7. This attitude of the Japanese Government, the communique said, had been conveyed to M. Charles Arsene-Henry, French Ambassador to Japan, by Mr. Renzo Sawada, vice-minister for foreign affairs, in an interview on April 5, when the French envoy handed Mr. Sawada a strongly-worded written protest, under instructions from Paris, against the assumption by Japan of administrative rights over the Spratley group. The French note, the communique said, was accepted by Mr. Sawada "under the title of information."

Bandits Kill British Missionary in South

A British missionary was shot and killed by bandits at the Presbyterian Mission at Kongchuen, in Kwangtung, within hailing distance of Japanese sentries, on Apr. 9, *Reuter* reported. He was Dr. O. L. Eaton, a familar figure in South China, who had been married only last Christmas. Three Chinese nurses gave blood for a transfusion in a vain attempt to save Dr. Eaton's life.

Although more than 20 shots were fired by the bandits, Japanese guards on duty about 200 yards from the scene were totally unaware of the attack until they were informed of the affair, *Reuter* said. Dr. Eaton, a native of Christchurch, New Zealand, was 33 years of age.

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Ningpo	WUCHOW	*Tienshui*	*Nanpu*
Chuhsien	Kweilin	Kweiyang	*Mienyang*
AMOY	TIENTSIN	*Panhsien*	*Loshan*
Foochow	Peiping	KUNMING	*Kwangyuan*
Tsinkiang	NANCHANG	*Mengtsu*	*Santai*
Nanping	*Kian*	CHUNGKING	*ICHANG*
Chienou	*Linchuan*	Chengtu	*Hankou*
Pucheng	Chengchow	*Wanhsien*	Changsha
Santuau	Kaifeng (Nanyang)	Ipin	Changteh
Kulangsu	*LOYANG*	Yaan	*Hengyang*
CANTON	Sian	*Kiangtsing*	*Lingling*

FOREIGN CORRESPONDENTS:

NEW YORK, LONDON, BERLIN, PARIS, GENEVA, OSAKA AND HONGKONG

Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of the Review.

March 26

Desperate battle waged by Chinese troops to block Japanese advance on Nanchang, Kiangsi capital. Japanese column advancing along Kiukiang-Nanchang highway reached Wanchiapu, where a group of hills forms Chinese final defence line north of Nanchang; considered to be "key to Nanchang." Despite Japanese claim Wanchiapu still held by the Chinese. Severe fighting also progressing at Fengan station (on Kiukiang-Nanchang Railway), which the Japanese claim captured. Another Japanese column heading for Kaoan (southwest of Nanchang), which was heavily bombed by 48 Japanese planes yesterday. Wucheng, on west shore of Poyang Lake, occupied by the Japanese on March 24. Aim of Japanese drive on Nanchang is to cut Chekiang-Kiangsi Railway.

Chinese guerilla forces operating in Shanghai, Nanking and Wuhu areas planning large-scale activities, according to **Hsin Hua Jih Pao**, communist organ at Chungking.

Squadron of Chinese bombers visited Canton March 22 and raided Paiyun and Tienho airdromes, destroying some 10 large-size Japanese planes aground.

Four Japanese seaplanes visited Swatow, bombing and machine-gunning railway station and vicinity of West Bund.

Chinese arillery positions at Sihsing, across Chientang River from Hangchow, raided by Japanese planes.

The war in China will continue at least another three years and will not end in the defeat of China, according to G. W. Shepherd, the American missionary who for the past five years has been the confidential adviser of General and Madame Chiang Kai-shek. Mr. Shepherd is now visiting in London.

Export of foodstuffs from Peiping prohibited by order of Japanese-controlled Police Bureau.

***

March 27

Japanese forces crossed Kan River about 5.30 yesterday afternoon and entered Nanchang by four gates facing the river, according to report from Tokyo; unconfirmed in Chinese circles in Chungking which stated fighting continuing in vicinity of Kiangsi capital, with the Chinese battling valiantly to hold off Japanese advance. Huge fires said raging in Nanchang.

Japanese report also claimed Chekiang-Kiangsi Railway cut near Nanchang. The railway which runs between Siaoshan in Chekiang to Changsha in Hunan via Nanchang is important route of Chinese government for trade and transporation of arms and ammunitions.

Six Japanese tanks destroyed and one Japanese plane shot down by Chinese troops in severe engagement west of Nanchang, according to Chinese report.

Changsha, capital of Hunan, believed Japan's next major objective following reported occupation of Nanchang.

Violent anti-foreign campaign, directed chiefly against Britain, launched by the puppet Nanking "Reformed Government," according to report in **The China Press**; agitation going on for more than a week; slogans, posters, newspaper articles and editorials, radio broadcast and parades utilized as means of attack. Narcotic traffic said still flourishing in Nanking.

Dr. H. H. Kung announced that Chinese Government would reduce interest payments on the Customs and salt secured loans; new arrangement in respect to payments on loans being negotiated; action necessitated by Japanese interference with pledged revenues and with currency. Anglo-French loan coupon due on April 5 would be paid.

Henri Cosme, French Ambassador, arrived at Hanoi by air from Chungking en route to Hongkong and Shanghai.

Sir Robert Craigie, British Ambassador to Japan, scheduled to leave Tokyo for Shanhgai on April 1 to confer with Sir Archibald Clark Kerr, British Ambassador to China.

Sino-European Cultural Association formed at Chungking yesterday with Wu Chih-hui, veteran member of the Kuomintang, as chairman.

Chungking circles oppose Senator Pittman's proposal for revision of the Neutrality Act, particularly objecting to retention of the "cash and carry" clause.

***

March 28

Severe street fighting going on in Nanchang after Japanese troops penetrated the city yesterday evening, according to Chungking report. Japanese claim of complete occupation of Nanchang denied. Fires in Nanchang spreading; whole city covered by pall of smoke. Westward advance of Japanese troops along Kiangsi-Hunan highway held up by the Chinese east of Wuning.

Japanese report stated that the Ikeda detachment severed Chekiang-Kiangsi Railway at 3.20 p.m. yesterday by blowing up a section of track at Sanfangchwang, southeast of Nanchang.

The Japanese troops, which are driving towards Chungshan District (birthplace of Dr. Sun Yat-sen), reported to have captured Yungki. More than 12,000 Japanese troops said landed near Bocca Tigris during past few days.

Puppet officials in Nanking and Shanghai celebrated first anniversary of creation of Nanking "Reformed Government" by the Japanese. Japanese airplane flew over foreign settlements in Shanghai, dropping anti-Chinese pro-Japanese handbills. Ataru Makino, Japanese mill-foreman, killed by unknown gunman in Yangtszepoo district; Chinese guerillas clash with Japanese plain-clothes men at Hungjao, near Settlement border; Feng Sing-chi, puppet official in Soochow working for the Japanese, shot and killed by unidentified assailants.

Officially announced in Nanking that plans for organization of new puppet central government were progressing; "close cooperation with Japan" basic principle of projected regime.

***

March 29

Heavy fighting raging at Lientang, 10 miles south of Nanchang and at Kwashan, 10 miles south of Lientang, on the railway from Nanchang to Pinghsiang, according to Chungking report.

Japanese claim capture of Wuning, important Chinese position on Hisu River in northern Kiangsi near Hupeh border. City said entered by the Japanese in the morning and completely occupied in afternoon.

Kiangmen in Hsinhui district in southern Kwangtung, which was severely airbombed yesterday, reported occupied by the Japanese today. Chinese volunteers who resisted Japanese attack set fire to city when they retreated.

Fu Siao-en, "Mayor" of Shanghai, dispatched identic notes to Shanghai Consular Body and Shanghai Municipal Council, making following five demands:

1. The suppression of lawless elements in the International Settlement.
2. The re-opening of the Great Western Road sub-station of the "Special Municipality Police," closed by the British military authorities several months ago.
3. The return of land records which Fu claims were left with the S.M.C. by the Greater Shanghai Municipal Administration.
4. The placing of the First Special District Court under the jurisdiction of the "Special Municipality," and;
5. The prohibition of the display of the Chinese National Government "White Sun and Blue Sky" flags in the Settlement.

Fu asked for "an immediate and clear reply" whether or not the Consular Body and Shanghai Municipal Council were "prepared to co-operate" with his administration.

United States Embassy at Peiping protested to Japanese authorities against further bombings of American mission property in China, namely, bombings of mission property at Chengchow (Honan), Sian (Shensi), Pingliang (Kansu) and Wanhsien (Szechuan).

T. V. Soong and Shao Li-tzu cabled Col. H. L. Stimson, former U. S. Secretary of State, urging that new Neutrality Law of the United States should differentiate between the aggressor and the victim of aggression; said Senator Pittman's "cash and carry" proposal would harm China.

Fu Siao-en and Kao Kuan-wu, puppet mayors of Shanghai and Nanking respectively, left Shanghai on Japanese steamer for Tokyo on month's "goodwill tour" of Japan. They are to attend the so-called Mayors' Conference on Asiatic Development sponsored by Tokyo Municipality.

***

March 30

As precautionary measure against possible Japanese landing on east Chekiang coast, Chinese military authorities order closure of Haimen to all navigation. Foreign embassies officially notified to this effect by Chinese Foreign Office at Chungking.

Sun Fo, President of Legislative Yuan, reported to have left Chungking for Europe to exchange views with European Governments, including Great Britain, France and Soviet Russia.

Fighting on Wuning front continuing in hills five miles northeast of city.

Chinese forces in south Honan launch three assaults on Sinyang, on Peiping-Hankow Railway, with artillery units heavily shelling Japanese garrison holding out inside the city. Japanese rushing reinforcements to Sinyang from Yingshan.

Kiangmen in southern Kwangtung recaptured by the Chinese after fierce fighting, according to Chinese report from Chungshan district.

R. A. Butler, British Under-Secretary of State for Foreign Affairs, announced in House of Commons yesterday that the Japanese had paid to Hongkong Government Ch.$20,000 covering damages by Japanese airbombings in Hongkong territory near Shumchun.

***

March 31

Severe fighting under way for possession of Kaoan, important city west of Nanchang on Nanchang-Changsha highway. Japanese troops said converging on Kaoan in three columns and fighting reported six miles from the city. Fighting also going on south of Nanchang in vicinity of Hsiantang.

Chinese forces defending Wuning put up heroic resistance and inflicted heavy casualties on the Japanese, according to Chinese dispatches received at Chungking.

Over 100 persons killed and 200 wounded, when 18 Japanese planes at-

Who's Who in China

Ho Pei-heng, Government official; born at Lokiang, Szechuan, 1898; graduate of Peking Government University; Magistrate of Pahsien, Szechuan; Director of

何北衡
Ho Pei-heng

Szechuan River Control Administration; Commissioner of Police, Chungking Municipality; now member of Szechuan Provincial Government and concurrently Commissioner of Reconstruction; address: Department of Reconstruction, Szechuan Provincial Government, Chengtu.

tacked Liangshan, east of Chungking, on March 29. The raiders dropped more than 100 bombs on city, demolishing some 200 houses.

Chinese bombers on March 19 bombed concentration of Japanese warships in vicinity of Funing, off Northern Kiangsu coast, damaging two warships.

Japanese claim progress in their operations against 30,000 Chinese troops which entered Chungtiao mountain range area in south-western Shansi. Chinese forces in this area said under command of Gen. Sun Wei-ju, formerly chairman of Shensi provincial government.

Gen. Chiang Kai-shek recently made airplane trip to Kweilin, Kwangsi capital, where he called an emergency conference with leading Chinese commanders in South China. Chinese counter-offensive on Canton believed impending.

Large quantities of arms continue to arrive at Rangoon for transhipment to China by Yunnan-Burman highway, according to **Reuter** report from Rangoon.

Sino-German barter agreement reported signed at Chungking, under terms of which China and Germany will exchange goods valued at $10,000,000. China will export raw materials to Germany in return for German manufactured goods, presumably arms and ammunitions.

Dr. H. H. Kung revealed Chinese government recently concluded credit loan of £20,000,000 with Belgian interests. He also announced the Government obtained from the United States interests a loan of US$25,000,000, secured on wood oil, and a credit loan of US$12,800,000. As regards Britain, the Government had secured export credits of "several millions sterling" and also a £10,000,000 currency stabilization fund, Dr. Kung further stated.

Three Chinese soldiers of the "Lone Battalion," interned in the International Settlement since its evacuation of Chapei in November, 1937, escaped from their concentration camp by scaling the wall this morning.

Japanese reports on the conclusion of Sino-Soviet military alliance denied in Moscow. Rumored that Sun Fo, president of Chinese Legislative Yuan, had arrived at Moscow.

Kokumin Shimbun, Japanese daily in Tokyo, demanded that Great Britain should give up Hongkong.

Yezhov, Former Head of G.P.U. Loses His—?

Final "liquidation" of Nikolai Yezhov, former head of Stalin's G.P.U. or secret police organization, was indicated in a laconic *Tass* announcement from Moscow on Apr. 10 which, without mentioning his name, reported the division of the People's Commissariat of Water Transport, of which he has been the head, into two commissariats with two new and unknown Commissars to head them.

Yezhov became head of the G.P.U. when his predecessor, Henry Yagoda, was arrested and executed after confessing to monstrous crimes in one of Moscow's show trials last year. After a few months in office, during which—also like his predecessor—he was eulogized by the Soviet press as "the drawn sword of the Revolution"—he was suddenly replaced by the present incumbent, Lavrenti Beria, one of Stalin's personal friends and, like Stalin, a Georgian.

From head of the G.P.U. he became People's Commissar of Water Transport, but his fate was considered sealed when his name was omitted from the list of candidates for the Central Committee of the Communist Party at the recent Party congress. *Tass* has not enlightened the world as to Yezhov's fate.

Power Company Shows Big Profit on 1938 Working

Profit totalling $1,837,925 was transferred to surplus account by the Shanghai Power Company in respect of the year 1938, the company's annual report, issued this week, shows. An additional $1,500,000 was appropriated from the year's earnings as reserve for property retirement. It was also stated that dividends on the company's Silver Preferred Stock were paid regularly each quarter since issue, while dividends on the U.S.$7 Cumulative Second Preferred Stock have been paid in full to September 30, 1937.

The number of customers served by the company as at Dec. 31, 1938 was 64,646 as compared with an estimated 57,000 on Dec. 31, 1937 and 90,967 on Aug. 13, 1937, just prior to the opening of the Sino-Japnaese hostilities. Loss of customers as a result of the war, has partly been offset by increased service to the areas where the company could continue operations without hindrance, the report stated.

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Men and Events

C. T. McCllelan, representative in China for Mackay Radio and Telegraph Company, has returned to Shanghai from a business trip to the United States. He was accompanied by Mrs. McClellan.

*

Dr. A. Von Miorini addressed the members of the Royal Asiatic Society on Thursday, April 6 on the subject, "Through Northland to the Arctic." The lecture was illustrated with slides and colored motion pictures.

*

James M. Bertram, New Zealand Rhodes scholar, author of the recent book, "North China Front," is now in London and plans to return to China shortly. Mr. Bertram came to China originally in 1936 on a scholarship to study the language and investigate political developments in connection with the Sino-Japanese crisis.

*

M. Louis Marchand, director of the Institute Franco-Japonaise, or Japanese-French Society, who is leaving Tokyo shortly for Paris, was presented with the Fourth Class Order of the Sacred Treasure, on April 6, in consideration of his services in promoting friendly relations between Japan and France.

*

The British Chancellor of the Exchequer, Sir Samuel Hoare, announced in the House of Commons on April 6 that three Nazi spies connected with the German Gestapo, or secret police, and other organization, had been deported from England.

*

According to a Peiping report in the *Ta Mei Wan Pao*, the Japanese military authorities in the North have organized a "Peihai Gasoline Company," for the purpose of monopolizing the gasoline business in North China. The company is capitalized at $1,000,000.

*

The Italian 5,069-ton flag-ship, Bartolomeo Colleoni, which has been at Chinwangtao for several days, arrived in Yokohama on April 9. The commander, Capt. C. Gonzaga, was presented to Emperor Hirohito on Monday, April 10. The ship carries 28 officers and 583 sailors

*

Edgar Snow, author and writer, who has been at Baguio, Philippines for several months, completing a new book, is planning to return to China for a brief stay prior to taking a trip to New York. Mrs. Snow, who is also working on a new book, will remain at Baguio for a time, later joining her husband on the trip to New York.

*

The Navy Department at Washington announced on April 6 that Lieutenant-Commander Henri Smith-Hutton, aide to Admiral Harry Yarnell, Commander of the U. S. Asiatic Fleet, had been appointed Naval Attache at Tokyo, replacing Capt. Harold M. Bemis, who has been appointed to the command of the U. S. S. Battleship California.

*

More than 1,000 manufacturing enterprises, largely financed and operated by overseas Chinese, are now located in Hongkong, according to a report in the *China Evening News*, which quoted Yeh Lan-chuan, Chairman of the Chinese Industrial Association. He said that most of the factories are engaged in some phase of cotton spinning or weaving, but there also are many machine-shops, silk mills, glass factories and rubber shoe plants.

The committee which has been raising funds for the benefit of I. Shaleff, local Russian journalist, who lost both of his legs as a result of an operation, announced on Monday of this week that the sum of $700 had been subscribed. Half of the sum will be used for purchasing artificial legs.

*

An American freighter, the Temple Bar, carrying a load of scrap iron destined for Japan, was wrecked a mile off the coast of the State of Washington on April 8. The ship struck a rock in a heavy mist and had to be abandoned. The captain and 35 members of the crew were rescued by the U. S. Coast Guard cutter from Seattle.

*

R. E. O'Bolger, manager for China of the Eastman Kodak Company, was elected president of the American Chamber of Commerce at the first meeting of the new board of directors. Other officers elected were, Vice-President, Bruce M. Smith of Mark L. Moody and Company; Honorary Treasurer, A. E. Schumacher, manager of the Chase Bank; Secretary, J. M. Howes.

Charles Barnhart, resident of Shanghai for the past 25 years, died at the Country Hospital on Sunday, April 2 and was buried at Bubbling Well Cemetery on April 6. He was 60-years of age and had retired from the U. S. Navy several years ago. He was a member of the General Frederick Townsend Ward Post of the American Legion and of Ancient Landmark Masonic Lodge.

*

Community Church, Shanghai, has announced a concert for Thursday evening, April 20 for the benefit of the Refugee Babies' Nursery and the church organ fund. The program will consist entirely of French selections, the musicians including Miss Woo Wei-zui, Miss Mary Fong Sec, William Hsu and Mrs, Cheng Lin.

*

Dr. A. J. Alves, Portugese Consul-General at Shanghai, who has been appointed to a similar position in New York City, will shortly assume his new post. He will be accompanied by Mrs. Alves and their son. J. A. Ribeiro de Millo, at present Consul-General at Hamburg, Germany, will be transferred to Shanghai.

*

C. Rogers, representative of the Bank of England, who has been appointed by the British Government as a member of the Anglo-Chinese Committee to administer the Chinese currency stabilization fund, departed from London for Hongkong on April 2. He is accompanied by Mrs. Rogers and they plan to reside in Hongkong.

*

The Chinese authorities at Chungking have appointed Chen Li-ting as a delegate to the conference called by the Permanent Committee on Agriculture of the International Labor Office at Geneva. Mr. Chen will spend considerable time investigating conditions in various European counties, following the Geneva Conference, which is scheduled to be held late this month.

*

The Bureau of Public Utilities of the City Government of Greater Shanghai, has announced that vehicle licenses must be obtained in future on all types of vehicles traveling on roads outside the International Settlement and French Concession. Plates and tax receipts are available at four places—Civic Center, Nantao, corner of Ven Miao and Chung Hwa Roads; Western District, corner of Great Western and Lincoln Roads; Chapei, Jukiang Road near North Railway Station.

Rear-Admiral Edward J. Marquart, former Commander of the U. S. Yangtsze Patrol and now on duty with the Naval Examining Board, has been appointed Commander of the Aircraft Battle Force, stationed at Pearl Harbor, Honolulu. Rear-Admiral Wilhelm L. Friedell, former aircraft commander at Honolulu, has been appointed Commander of the Fleet Submarine Base at San Diego.

*

Mineral production in the Philippine Commonwealth, including gold, iron and chromium, will reach a total value of U. S. $80,000,000, according to report of *United Press* from Manila on April 6. Gold production, based on last year's output, will reach U. S. $35,000,000; iron U. S. $3,000,000 and chromium U. S. $2,400,000. Numerous new mines are being opened, according to the report,

*

The funeral of Capt. Henry Schulte, retired U. S. Army officer, who died in Shanghai on Wed. April 5, was held at the Bubbling Well Cemetery on April 6. It was conducted by Fr. Fitzgerald of Gonzaga College, those attending including Paul E. Tenney of the U. S. Consulate-General and L. R. Shinazi of the American Legion. A platoon of U. S. Marines fired three volleys over the grave.

*

James Smail, connected with the China Inland Mission in Shensi, was fatally injured in a motor car accident while returning to his station from Paoning in Szechuen Province. Mrs. Smail had gone to Paoning to give birth to a child and Mr. Smail was taking them home when the accident occurred. No details of the accident were received at the mission headquarters in Shanghai, but it was thought that Mrs. Smail and the child were uninjured.

*

Father Constantine Prokhorov, accompanied by his wife and three children, arrived in Shanghai recently after a journey that required two years. He stated that he had traveled from central Russia to the Caucasus and then to the Caspian Sea where he succeeded in crossing the border with his family. After reaching Teheran he was assisted by a Russian engineer who helped him to travel to Shanghai. He said there are approximately 3,000 Russian emigres living in Iran at present.

*

Fred C. Sze, manager of the Joint Savings Society and vice-president for the Orient of the Associated Harvard Clubs, will be host to the members of the Harvard Club of Shanghai at a dinner scheduled for the evening of Friday, Feb. 14 at the American Club. An address will be given by Dr. Hsin Hai Chang, dean of Arts of Kwang Hua University. The date of the dinner will coincide with a similar function by the Associated Harvard Clubs of the United States, scheduled to be held in New Orleans.

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According to the *China Evening News*, the Japanese paper, *Continental News*, published "north of the creek" printed an editorial severely attacking "unpatriotic" Japanese in Hongkew for purchasing goods at Chinese department stores on Nanking Road. The Japanese paper claimed that such purchases caused "valuable yen to fly over Soochow Creek." According to the Chinese paper a box of matches which may be purchased for 1-cent on Nanking Road, costs 5-cents in Japanese-controlled Hongkew.

*

The plans of Japan-Germany-Italy and other members of the anti-communist "bloc" to withdraw from the organization of the Olympic Games, were advanced a further step on April 8 when Prince Iyesato Tokugawa and Count Michimasa Soejima officially resigned from the Olympic International Committee. The resignations were cabled to Count Baillet Latour, President of the organization. The reason given for their resignations, according to Domei, was Japan's failure to serve as host to the 1940 games.

*

K. R. Hofmeier special correspondent in Japan, for the Nazi organ *Voelkischer Beobachter*, was the first foreigner to be granted the right to broadcast over the official JOAK radio station in Tokyo, according to a report in the *Asahi*. It was stated that Mr. Hofmeier had been conducted by guides provided by the War Ministry, over the Japanese fighting lines in Central China and upon his return to Tokyo was invited to broadcast his impressions to the people of Japan. The title of his broadcast was, "Central China Battle as Seen by a German Newspaperman."

*

The Japanese-organized Central China Telecommunications Company, which was set up by the Japanese Army for the purpose of seizing all Chinese telegraphic and radio plants and equipment in the Shanghai district, has announced the early completion of repairs on the Chinese Government radio station at Chenju, which the Japanese bombed out of existence at the outbreak of the hostilities here in 1937. The Japanese claimed the repairs cost Y.3,500,000. Broadcasts will shortly be exchanged with Germany, Italy, Britain, France, Geneva and the United States, according to the announcement.

*

The Soviet authorities announced in Moscow on April 5 that 600 skilled coal mine building workers from the Donetz Coal Basin had been sent to the Far East where they will be engaged in the opening of new coal mines. It also was announced in Moscow that 2,000 workers, engineers and technicians were now employed on the construction of a new 806-kilometer railway connecting Kartaly and Akmolinsk, which will form a section of a line connecting the large industrial centers of Magnitogorsk and Stalinsk. Later the force engaged on the railway construction will be increased to 25,000.

*

According to the *Nichi-Nichi*, the Japanese Government is considering the appointment of Eiji Amau, author of the famous "hands off Asia" declaration as Japanese Ambassador-at-Large in China. Amau is now Minister to Switzerland, and if appointed, will be the second diplomatic appointee to China since the withdrawal of Shigeru Kawagoe, the other being Masayuki Tani, who also was recalled. The report stated that certain interests in Tokyo were recommending Sotomatsu Kato, Counsellor of the Japanese Embassy in Manchukuo, but the Government desired a man of "Minister's calibre in order to adjust Japan's relations with third powers."

The Nazi newspaper, *Der Angriff*, organ of Dr. Paul Goebbels, minister of propaganda, published a report stating that smoking made women both ugly and sterile. The statement was based on a report by Prof. Reiter of Berlin, chief of the national health bureau, who alleged that scientific tests had proved that smoking damaged the respiratory organs, liver and certain glands. Prof. Reiter also supported the Nazi campaign against alcohol, claiming that if one smoked while drinking one became much more intoxicated.

*

Gen. Sadao Araki, Japan's warlord Minister of Education, has announced a regulation, effective on Oct. 1, barring all youths of both sexes from all moving picture shows which depict love scenes. Youths also will be barred from movies which show scenes of gambling activities, such as horse races. Gen. Araki explained the new regulation to the heads of the cinema industry on April 7, informing them that in future all moving picture advertisements in newspapers as well as billboards and placards must specify whether they contain scenes which are barred to children. The General declared that in future Japanese youths will only be permitted to see pictures which are "artistically and culturally valuable."

*

Otto Urbach, 25-years old, of St. Paul, Minnesota, informed his friends that he had been awarded a gold medal by the Chinese Government for maneuvering fifteen truckloads of live pigs through the fighting lines in the Sino-Japanese hostilities here, to safety inside the foreign settlements. He said there were 5,000 hogs in a slaughter house between the lines which were endangered, so Urbach, who was employed by a Shanghai motor company, organized a volunteer group and succeeded in moving the pigs to a safe place inside the Settlement. He said, according to a report by *United Press*, that several of the trucks were struck by shells, but none of the drivers was injured.

*

Ellsworth Carlson of Portland, Oregon has been selected as the 1929 American recipient of the Oberlin-Shansi fellowship and will spend a year in study in Peiping, following which he will join the Oberlin School, wherever it may be located at that time. Prior to the Japanese occupation Oberlin-in-China was located at Taiku, Shansi province, but was moved to a location more than 1,000 miles distant. The 200 students and 40 faculty members who made the trek across the Tsing Ling Mountains to Mien-Shan, included three exchange fellowship students from the United States, Herbert Van Meter, Melville Kennedy and Miss Charlotte Tinker. Oberlin-in-China was founded by Dr. H. H. Kung, who is a graduate of Oberlin College.

*

Dr. E. G. Gauntlett was elected President of the Shanghai Medical Society at the 19th annual meeting of the organization held at the Italian Club in Shanghai on Thursday evening, March 30. Dr. T. B. Dunn, retiring chairman, presided. Other officers elected to serve in the coming year were, Vice-President, Dr. L. McGolrick; Honorary Secretary, Dr. W. R. Johnston; Honorary Treasurer, Dr. F. D. Nance; Members of the Council, Drs. A. M. Dunlap, D. J. Kasakoff, M. Genin and A. S. Wong. Dr. H. Couper-Patrick was elected as the Society's representative on the Shanghai Medical Board for a period of two years. The Society now has 122 members, an increase of five over the preceding year. After the business meeting Dr. D. J. Kasakoff spoke on "Collapsed Therapy in Pulmonary Tuberculosis.

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Dr. Dana Nance, member of the medical firm of Dunn and Nance, departed for the United States on vacation this week. He will join Mrs. Nance who is now in the U. S., at New Orleans and they will return to Shanghai in the autumn.

*

Brigadier Sir John Laurie, Bart., new commander of British troops in the Tientsin district, arrived in Tientsin from England on April 12 and will assume command on April 16. He formerly commanded the 2nd Battallion of the Seaforth Highlanders.

*

Dr. J. W. Decker, secretary of the Baptist Foreign Mission Board in New York, who had been in Shanghai for several days, departed this week for Hangchow and after a visit there will return to the United States. Dr. Decker was a delegate to the Mission Conference at Madras, India and returned by way of the Burma-Kunming Road to Chungking and after an airplane flight to most of the cities of West China, traveled to Shanghai by way of Hanoi and Hongkong. Dr. Decker was stationed for many years at Ningpo and Hangchow.

*

Miss Jane Howard, daughter of Roy W. Howard, of the Scripps-Howard Newspapers and the *United Press*, has invited a Japanese girl, Miss Yuriko Goh, to be her guest in New York. When Miss Howard was in Japan last year writing articles for the *Honolulu Advertiser* and *United Press*, Miss Goh served as Miss Howard's guide, accompanying her on trips to Manchukuo and elsewhere. According to the report in the *Asahi Shimbun*, Miss Goh was selected as Miss Howard's guide by the Information Bureau of the Foreign Office and did such a good job that the Government will finance her trip to New York. The report stated that Miss Goh would be able to supply "up-to-date information regarding wartime Japan to women's organizations in the United States."

*

John Anderson, American pilot with the Yangtsze Navigation Company, is the skipper of another junk which sailed from Shanghai last week on an attempt to cross the Pacific Ocean to San Francisco. Mr. Anderson was accompanied by Mrs. Anderson, who is of Russian nationality, two other Russians, Ivan Zurak and Zvonka Cvitanic, and a Chinese crew of three. The junk is the property of F. D. Mortimer of the Chinese-American Publishing Company and is equipped with a 14-h. p. Diesel motor. It was equipped with special tanks for fresh water and food supplies sufficient for a trip of 75 days, thought sufficient for the trip. It also carries a short-wave receiving set. Mr. Anderson plans to follow the old trade route for sailing vessels. The junk is of the "Ningpo" type.

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Lloyd (Larry) Lehrbas, who has been connected with the Shanghai office of *The Associated Press of America* for the past two years, departed this week for Rome to cover the Italian-Albanian crisis. He traveled from Hongkong by French

To Rome

airlines. Mr. Lehrbas first came to China 16 years ago when he was connected with *The China Press*. He returned in 1929 as leader of a Fox Movietone crew which made sound newsreels in Manchuria during the Sino-Soviet crisis. Upon his return to the United States he joined the *Associated Press*, covering the State Department in Washington and later the London Naval Conference. He also made a tour of South America.

*

Hsu Shih-ying, acting chairman of the Chinese Wartime Refugee Relief Commission, has dispatched a delegate to Shanghai to make an inspection of conditions in the refugee relief camps in the International Settlement and French Concession. According to the *Kuowin* report, the National Government at Chungking has decided to remit the sum of $100,000 monthly to Shanghai for relief purposes.

*

The U. S. Embassy in Peiping sent the Japanese six protests about bombings of American Mission property, within the period of one month. The latest was at Yingtan, Kiangsi on April 4 and at Hengyang, Honan on April 6. In each case American mission property was badly damaged and in some cases Chinese members of the missions were killed or injured. There were no casualities among Americans. In all cases the properties were clearly marked by American flags painted on the roofs and also flying from poles on the buildings or in the courtyards.

*

The Chen Nee Silk Filiature, located outside the south gate of Wusih, which was taken over and has been operated by the Japanese, was recently attacked and burned by a gang of some 200 guerrillas who succeeded in escaping before the Japanese troops arrived. Since the Chinese force carried machine-guns the Japanese did not attempt to pursue them outside the city. The Chinese filiature, after it was seized by the Japanese Army was turned over to a Japanese concern known as the Central China Sericulture Company.

The International Recreation Club, which conducts horse racing in Shanghai, contributed the sum of $17,340, local currency, to local refugee relief organizations, resulting from the races held last week. Owing to increased attendance, it was expected that this week's races would yield $20,000 for refugee relief.

Japan 15 Years Ago

(*Continued from page 210*)

national parks of Nikko and Nara—it was hard for me to believe that people who are so well behaved at home can be such savages in China. It would have been hard for most of them to believe it, too, I think.

An item of the most supreme unimportance which caught my eye was the vast number of people wearing horn-rimmed spectacles. The wearers by no means all needed them, but the spectacles give to the Japanese an air of respectability and serious thinking—both very high virtues in a nation which feels the strain of war. Students and businessmen are particularly fond of the affectation. And don't ask me what a Japanese army officer looks like without horn-rims; I never saw one so shameless as to appear in the broad light of day with naked eyes.

Change in Women's Clothes

At the top of the list of the changes I found in Japan—and saddest of them esthetically—is the change in women's clothes. When I was there before (and when Japan had not yet become involved with her manifest destiny), the Japanese women, with their graceful flowered kimonos and their elaborately worked hair, were unquestionably the daintiest, loveliest, most appealing women in the orient (I almost said the world). Some of them, thank heaven, still are. But far too many of them, alas, in their sports clothes and factory uniforms, have lost their charm. Along with the gaily clattering clogs and the carefully tied sashes, they have forgotten—or rather, they scorn—their former gentle and intensely feminine manner. The blue middy blouse and black knee-length skirt, now worn by hundreds of thousands of Japan's girls, are not only painfully drab but painfully unbecoming—especially when they add the horn-rim spectacles and fancy gold teeth. At Nikko one Sunday I saw, walking among the temples, three young Japanese girls wearing the brightest of flowering kimonos, with great silk bows at their backs, and soft, shy smiles in their eyes—just like 1923. I wanted to tell them how truly beautiful they were.

All during my sojourn in Tokyo I was vaguely aware that some familiar feature of the streets and dwellings was missing—something important that had disappeared from the intimate life of the city since my last visit. This missing feature wasn't children; there were thousands. It wasn't flowers; they were everywhere. Not till the day I left town did I discover what was missing. It was dogs. I'd seen scarcely a dozen dogs in as many days. I was about to ask what had happened to the innumerable dogs which I remembered as part of the scenery in the Tokyo of 1923—when an official bulletin on the subject enlightened me.

The Tokyo police had conducted a round-up of the city's 30,000 stray dogs, the majority of which were killed and their skins turned into sound-boxes for the 3-stringed banjos used by the geisha girls. Nineteen thousand dogs were turned into banjos.

New Books of Interest in the Far East

Behind the Red Front

INSIDE RED CHINA—By Nym Wales. Illustrated. N. Y. Doubleday, Doran and Co., Inc., 1939. 356 pages. Foreword, Glossary, Appendices, index. U.S.$3.00.

To call Nym Wales' book a collection of source material on Chinese Communism is to place it in its proper category. Too frequently, however, such a classification connotes a formal documentary nature, which is entirely absent from this volume. In fact it is the human, one might almost say feminine, approach of the author which made possible the collection of this hitherto unavailable material, as well as its presentation in such readable form.

Miss Wales' (Mrs. Edgar Snow's) visit to Yenan, the Red Capital, came at a time when the insurgent Red Army was preparing to throw its weight with the Generalissimo in the defense of China against Japan. Those four summer months before the Red Army left Shensi to go to fight the Japanese on the Shansi front were the months during which Miss Wales shared the life of the most important communist center in China. Here she came in touch not only with the military and political leaders of the movement, but with the soldiers and the populace.

One of her primary interests in making this trip to the Soviets was to get autobiographical studies of the communist commanders, of Soviet women leaders, and the various political and cultural leaders who were building communism. Her studies of the personal histories of seventy of these men and women form an invaluable social document. They are the story of the Chinese Revolution, an evidence of the complexity of Chinese life and history.

Some of the conclusions of this study are: The importance of the south in the revolutionary movement. Hunan, Hupeh and Kwangtung produced more than half the seventy leaders. Only thirteen of the seventy came from the north. From Hunan alone came twenty-five men. According to Mao Tse-tung (who has red peppers cooked even in his bread), "all pepper-eating peoples are rebels, and the Hunanese eat more pepper than other Chinese." Liu Shao-wen, political commissar from Honan, says:

"I think the reason why Hunan is the revolutionary center of China is this: Hunan is a kind of frontier or buffer province between South and Central China and is a constant arena of struggle and civil war between armies moving backward and forward and also between conflicting political tendencies. The people couldn't stagnate, even if they were not hot-tempered and progressive by nature."

As to the social origins of the seventy, Miss Wales found only seventeen per cent were proletarians, thirteen per cent were professional soldiers (all farmers' sons) and the remainder, except for two peasant women, were revolutionary intellectuals. Of the fifty-three political leaders more than half were college graduates; and but two of these had studied abroad in France, Japan or Russia. These figures, however, give no idea of the educational background of the seventy. Eighty-five per cent of the seventy received a formal education, including military academies and middle schools. The remainder have been intensively, if less formally, trained in the Communist Party school and the Red Academy of the Chinese Soviets.

There is a list of the 1937 membership in the Politburo, the highest authority in the Party, and of the membership in the Military Council, of which Mao Tse-tung was chairman, Liu Pei Ch'eng chief-of-staff to the Military Council, and Chu Teh, commander-in-chief of the Red Army. The officials of the Shensi-Kansu-Ninghsia Soviet Government, the sole remaining Soviet in 1937, are also listed.

Another useful compilation is the chronology of the Chinese communist movement from the founding of the Chinese Socialist Youth, the first organization along Socialist lines in China, in 1918. Such pioneer historical research should be done while the principal actors are able to give their evidence. It is interesting to note that scarcely any of the communist leaders seemed to know anything about each other's personal histories; the autobiographical material unearthed by Miss Wales is in many cases its first knowledge to the comrades themselves.

The fourth book deals with the Chinese Soviets' change to democracy in their union with the Kuomintang against Japanese aggression. Is this giving up of the Soviet a victory, a defeat, or merely strategy for the Chinese communists? Communism in Russia has seen change in policy as need arose. The Chinese Lenin, Mao Tse-tung, in his intructions to the Communist Party conference in May, 1937 said:

"We support the theory of the transformation of the revolution. The democratic revolution will change to socialism. In this democratic revolution there are several stages of development, but all are under the slogan of the Democratic Republic and not under that of a Soviet Republic . . . We are not Trotskyists, semi-Trotskyists nor Li Li-sanists. We are for the transformation of the revolution and not for the Trotskyist 'permanent revolution.' We are for passing through all necessary stages of the Democratic Republic to reach Socialism."

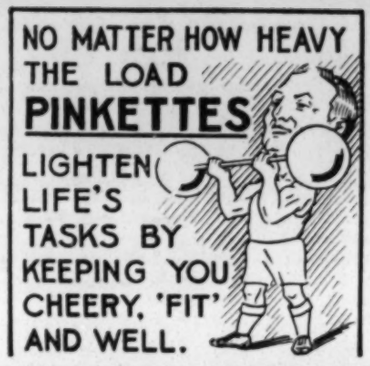
Since Mao Tse-tung's opinion determines the policy of the party, his discussion of "The Anatomy of the Chinese Revolution," prepared for Miss Wales, is of especial interest. Herein he analyzes the elements in Chinese society and the driving forces of the revolution. The Chinese Revolution he says is an anti-imperialistic, anti-feudal, bourgeois-democratic-national revolution. From this dialectic it is an easy step to a united front for the overthrow of Japanese aggression.

Lu Fu, the national secretary of the central committee of the party, gave Miss Wales an interview on the historical steps of the Chinese Revolution, and the history of the Red Army was given by the commander-in-chief, Chu Teh.

This brief summary of some sections of *Inside Red China* shows the field covered by Miss Wales. But it gives no idea of her effective presentation and the wealth of material which she uses on many subjects, such as women and revolution, mass education through the use of latinized Chinese, the psychology which underlies the Chinese soviet movement, the National Minorities School, and much else. Some of her experiences in Yenan were incorporated in articles published in *The China Weekly Review*.

The photographs taken by Miss Wales add greatly to the book. The one weakness in the eyes of this reviewer is the absence of a map which might show the localities mentioned in the text.

F. M. R.



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An Engineer in Russia

IN SEARCH OF SOVIET GOLD—By John D. Littlepage and Demaree Bess. Harcourt, Brace and Company, New York. U.S. $2.75

A better balanced book about industrial Russia than *In Search of Soviet Gold* will be hard to find. Mr. Bess is well-known to the Far East, having spent some years in Shanghai and Peiping before going to Russia for the *Christian Science Monitor*. Mr. Littlepage an American mining engineer, spent ten years in Soviet Russia, and what he saw and did are recorded in the present volume.

When Mr. Littlepage first went to Russia he discovered that there were two heads of the various departments of the Gold Trust—a Communist who had the final say, and a technical expert who was distinctly second fiddle, He discovered that none of the workmen in the first group of gold mines to which he was assigned had any experience with mechanized mining; even the older engineers had never seen the new equipment. He put on mining clothes, as he was accustomed to do in America, which scandalized everyone, because the engineers were of a higher "caste" from the workmen and kept away from "the dirty mine shafts." Due to his insistence and persistence, "today, the authorities are trying to break down the caste lines between ordinary laborers and so-called specialists."

He found that the output per man per day was not even one tenth that of Alaskan workers. As time went on, piecework, contract labor, and cost-accounting have become the most striking features of the Russian industrial system.

Various interesting experiences fell to Mr. Littlepage during his life in Russia. He traveled more than 200,000 miles to overhaul and speed up various mining enterprises in Central and Asiatic Russia, and was evidently influential in helping the Soviet Union climb to second place in gold production. Among other things, he was shot at, in the Ural copper and lead district, because he was too insistent on production methods. He came up against conspiracies in the Kalata group in the Urals, in the Ridder lead-zinc mines in Eastern Kazakstan, and when he was part of a commission to buy mining hoists in Berlin. In Kazakastan he found many nomads had been brought in to "learn" mining, the management, at the same time, being expected to show a paper profit.

When asked about the conspiracy trials in August 1936, Mr. Littlepage had just returned from many months of traveling in a Soviet Ford through Kazakstan and the Altai Mountains. His reply was "I don't know anything about politics. But I know that a large part of Soviet industry has been deliberately wrecked, and that would hardly be possible without the help of highly-placed Communists. Someone wrecked those industries and the Communists hold all the high positions in industry. Therefore, I figure Communists helped to wreck those industries."

"One of the chief faults in Soviet Russia," he decides, "is that political manipulators and reformers, with little or no experience or feel for industrial management, were given the most responsible positions in creating Soviet industry from 1929 onwards." He is of the opinion, too, that the Asiatic portion of Russia is where the future of the country lies.

M.V.

France and Djibuti

(Continued from page 211)

insignificant forces in Somaliland is that she is willing to negotiate with Italy on the future of this territory. In Paris, I learned that quite a few deputies favor French relinquishment of Djibuti, regarding it as not sufficiently important to justify war. Their opponents reply that if France once shows a disposition to give up the territory, Italy's next step would be to seize Tunis or Corsica. It is not possible to ascertain the opinion of the French majority, but it seems that at the moment many politicians still hope to find a basis of an agreement with Italy.

This hope is based upon an optimism not syared by French officials in Djibuti. The sympathy of the native Somalis is absolutely with France, but no one will consult these people as to whether they desire to become Italian subjects. There is a numerous Italian colony in Djibuti, several Italian commercial agencies, and an office of the Italian tourist organization. There is also an active Italian propaganda, but as far as the Europeans can judge it has not been very successful. It can easily be seen that the natives are anti-Fascist.

What the Natives Say

I questioned some of the natives in my best Italian. In Abyssinia, they affirmed, the people have no money, no food, no liberty. Under the rule of the Negus they did not know liberty either. Some of those to whom I spoke declared that the people of Abyssinia were awaiting a favorable opportunity to resume the struggle against Italy, pointing out that the country is still far from being pacified.

Members of the Italian colony in Djibuti declare that Britain and France are supporting the Abyssinians in their opposition to Italian rule. They say Djibuti is the center of anti-Italian propaganda in Abyssinia. Walking through the dusty streets of the town I came upon the building which, according to the Italians, is the exact center of this propaganda campaign. With some astonishment I noticed that the building in question is the residence of a real Abyssinian Consulate *pro tem*. This seems a little ludicrous, but the building is in reality an official one, and on Sunday mornings one can observe the flag of the Lion of Juda fluttering from its mast while his Ex-Majesty's Acting Consul walks through the streets surrounded by a nicely-uniformed guard.

It was not possible to find out who is paying for this gentleman's upkeep, but Italy affirms that France is the financier. Rome demands a stop to all this "nonsense."

Arms Are Smuggled

Everywhere one encounters Abyssinian refugees and it is easily discovered that they maintain connections with their brothers across the frontier. Men come and go constantly, bringing news to and from the border. Reports from those coming across the border into French Somaliland may not always be accurate, but some of them bear the stamp of truth. Thus I learned that Italy has not yet been able to prevent the smuggling of arms into Abyssinia from British Kenya. Death sentences in connection with this traffic are said to be daily occurrences in Abyssinia. Also it is said that Italian troop reinforcements are constantly arriving in the former empire of the Negus.

While in Djibuti I conversed with French officials and had an opportunity to visit some of the border fortifications. I did not encounter a single official who was willing to advise the Paris government to give up Somaliland. On the contrary, they believe Italy's position is quite weak and, from the strategic point of view, could be made hopeless.

Yet the situation depends in no small degree on Britain, whose north African territories border on Italy's African empire. British circles in Paris are believed to have advised France three months ago to relinquish Djibuti to Italy and not to estimate its value from the political and strategic viewpoints. It is their opinion that a good part of Franco-Italian difficulties could be solved if France views Djibuti solely from the commercial angle. Italy would be satisfied to rule the town and neighboring territory, unite it with Abyssinia, and receive the Negus' shares in the railroad. France would still have a majority of the railroad shares and the bulk of the harbor revenues.

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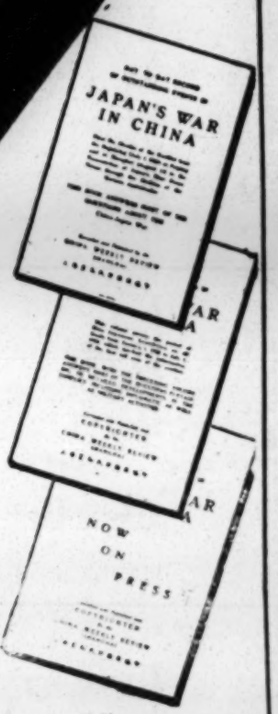

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